

THE NATION'S BUSINESS

March



1924

The Fun I've Had in Business

CHARLES R. FLINT Begins the Story of His Colorful Life

Let the Seller Beware

WILLIAMS HAYNES Asks if American Industry No Longer Regards Its Word

We Call On a Good Customer of Yours

MERLE THORPE Reports a Talk With the President of Cuba

Mr. Coolidge and American Business

JOHN CALLAN O'LAUGHLIN Tells How Political Leaders Feel on Taxation and Other Problems

The Bus and Truck in Transportation

WALTER C. WHITE Takes an Understanding View of the Rights and Duties of the Motor

Getting It Settled Out of Court

HERBERT COREY Describes How the Government and the Railroads Sat at the Council Table



Published by the Chamber of Commerce of the United States

MORE THAN 140,000 CIRCULATION

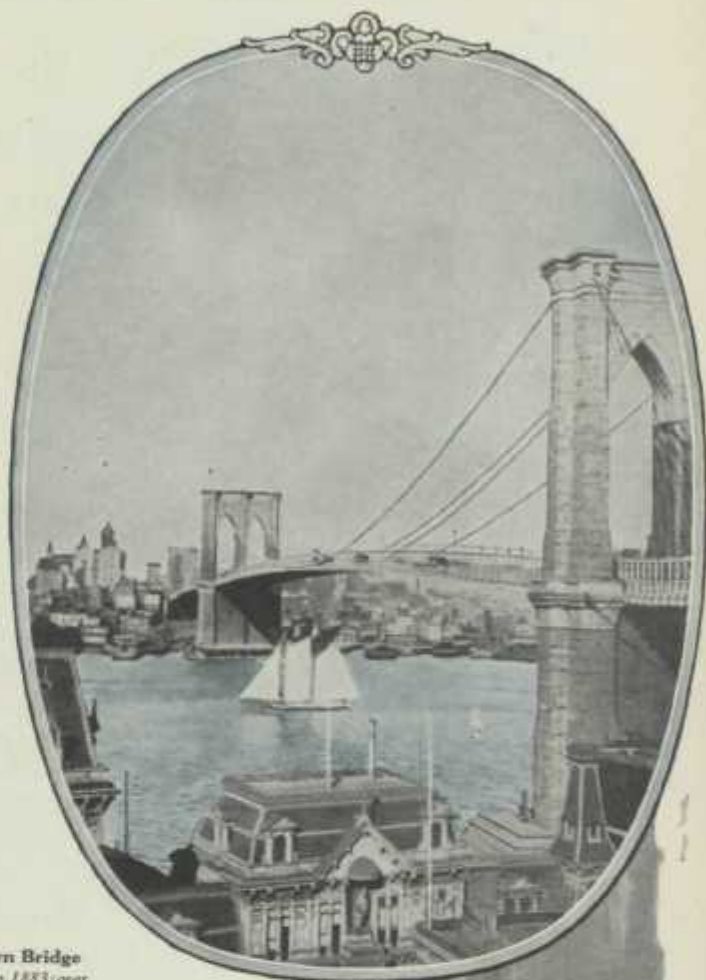
MASTERPIECES

Innovation may catch the popular fancy, but the expert knows that a new departure is an advancement only when it extends the sound application of authoritative principles.

When it meets that test, he sanctions the unconventional design for practical use.

Every exclusive feature in the Lincoln car was so selected. Each proved itself technically sound; each became an essential factor in making this car indisputably a masterpiece.

LINCOLN MOTOR COMPANY
DIVISION OF FORD MOTOR COMPANY, DETROIT, MICH.



Brooklyn Bridge
Opened in 1883; over one mile long—longest bridge span of its time; safely carries heavier traffic than originally intended.

The Cabriolet



LINCOLN

TRUSCON

COPPER STEEL
STANDARD BUILDINGS

DESIGNED TO FIT INDUSTRY'S NEEDS

The growth of your business, the expansion of your plant calls, in many instances, for special buildings to be erected quickly, easily and inexpensively.

It is in cases such as this that Truscon Copper Steel Standard Buildings are proving of the utmost value in various industries.

Any type of steel building for any particular industry may be secured in small or large units as occasion requires. The Truscon simplicity of design permits the assembly of the factory-made units in practically any shape or size of one story buildings and many types of two story structures.

Truscon Copper Steel Standard Buildings are all fireproof. They are quickly erected, and cost less than other permanent constructions.

The Truscon Standard Building Book contains a fund of valuable information on modern building. Write us for a copy.

TRUSCON STEEL COMPANY YOUNGSTOWN, OHIO

Warehouses and Sales Offices
from Pacific to Atlantic. For
addresses see phone books of
principal cities. Canada:
Walkerville, Ont. For-
eign Div.: New York



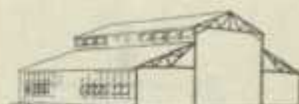
TYPE 1 (Clear Span)
Widths—8'-12'-16'-20'-24'-28'-32'
40'-48'-50'-60'-68'



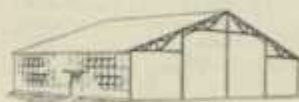
TYPE 2 (2 Bays)
Widths—40'-48'-50'-56'-60'



TYPE 3 (3 Bays) with Lantern
Widths—56'-60'-64'-68'-72'-76'-80'
84'-88'-90'-98'-106'-108'-116'



TYPE 3M (Monitor)
Widths—60'-64'-68'-72'-76'-80'-84'
88'-90'-96'-98'-100'-106'-108'-116'



TYPE 4 (4 Bays)
Widths—80'-100'-112' (4 Bays at
20'-15' or 28')



SAWTOOTH TYPE
Widths—Any Multiple of 28'-0"

Typical, Truscon Standard Buildings
Lengths: Multiples of 2'. Heights: 8'-1" to 21'-5"
Any arrangement of floors and windows

Whatever your need there is a type of Truscon
Standard Building to fit it



Truscon Standard Building at Licking Window Glass Company, Utica, Ohio

GREATER COMFORT—GREATER SPEED—GREATER SAFETY—GREATER PROFITS

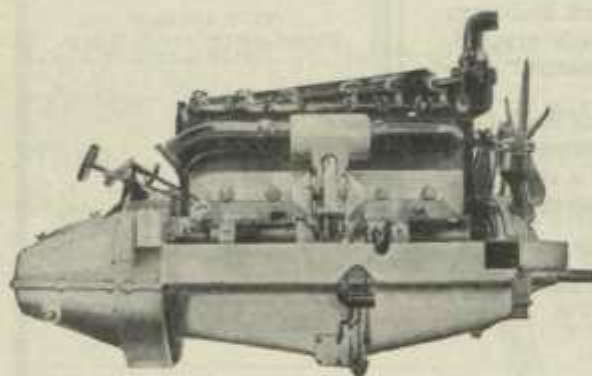
Faster Getaway and Quicker Stops Mean MORE Fares per Day

Standard Chassis

\$4600

for 196-inch wheelbase, \$4750 for 220-inch wheelbase, at Buffalo. Including starter, battery, generator, solid tires and electric lights. Pneumatic tires and disc wheels optional at extra cost.

Terms if desired



The Pierce-Arrow 6-Cylinder Bus Engine

The silent Dual-Valve, Dual-Ignition Pierce-Arrow Bus Engine develops over 100 horsepower at 2500 revolutions per minute.

It is so flexible that gear-shifting is reduced to a minimum. Speed of from 45 to 50 miles an hour can be maintained easily, if desired. In congested traffic, the engine will throttle down to an unusually slow pace in high gear and will accelerate powerfully.

The bus is propelled by a trouble-free inverted worm gear drive. The low-hung chassis has an unusually short turning radius.

We will gladly arrange for a complete demonstration of the Pierce-Arrow Motor Bus at the factory.

Invest in a motor bus that will make more trips per day. Extra trips are practically all "velvet." That is why the modern Pierce-Arrow Motor Bus—the most remarkable bus development of recent years—is so profitable; it has such a tremendous acceleration and can be stopped so quickly that it can make more trips in a given time.

Its smooth-running six-cylinder Dual-Valve Engine can easily maintain a speed of from 45 to 50 miles an hour. You may not require that high speed, but you do want that extra ability, for it means that you are not taxing the engine to the limit when running at a 35- or 40-mile rate.

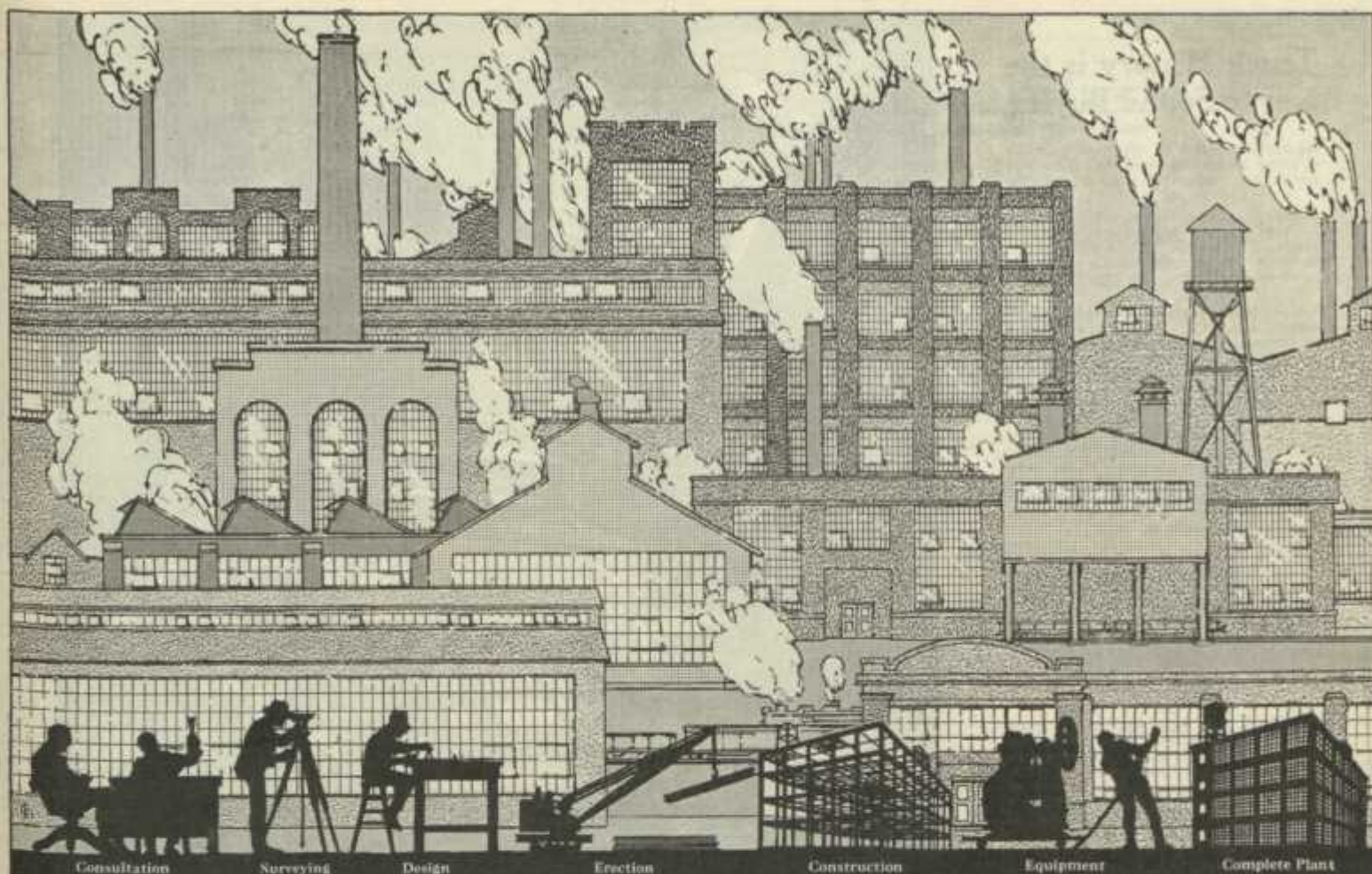
You can pay for the Pierce-Arrow Bus as it works, if desired, for liberal terms can be arranged through the Pierce-Arrow Finance Corporation.

Learn more about this latest motor bus development at once. Nothing like it ever before has been built. Write us, or ask the nearest Pierce-Arrow distributor for details.

The Pierce-Arrow Motor Bus chassis, produced in two lengths of wheelbase, will accommodate the de luxe, sight-seeing or pay-enter types of wood or steel bodies, ranging from 20-passenger capacity upward.

THE PIERCE-ARROW MOTOR CAR COMPANY
Buffalo, N. Y.

Pierce-Arrow



AUSTIN'S HALF CENTURY OF QUALITY BUILDING *Your Guarantee of Satisfaction in 1924*

AND "quality" means *intrinsic value* received for every building dollar you invest. The Austin Method provides this quality, combined with *fair price*. You pay no premium for Austin Buildings, but the Buildings themselves pay *continuous* premiums in satisfaction and in production economies.

Think what Austin's background of more than a half-century of designing, building and equipping quality industrial plants will mean to you, as you face manufacturing and selling problems of 1924 and years to come.

Trained Austin Men will furnish expert consultation, develop plans, and design the buildings.

Trained Austin Men will purchase all the materials; specify and purchase all the equipment; erect the build-

ings; install the equipment and turn the complete plant over to you, ready to fire the boilers.

Nothing left undone, nothing done twice, under Austin Unit Responsibility with a single contract and with complete guarantees.

The Austin Method merits your careful study, even before you begin planning your new production facilities. The Austin Organization merits your complete confidence; Austin Engineers will gladly consult with you, make recommendations, and if practicable, submit preliminary plans—without obligating you in any way.

Austin is at your service now. Use the coupon, or write the nearest Austin Branch Office.

THE AUSTIN COMPANY • Engineers and Builders • CLEVELAND
New York Chicago Cleveland Detroit Pittsburgh Philadelphia St. Louis Seattle Birmingham Portland
The Austin Company of California: Los Angeles San Francisco The Austin Company of Texas: Dallas

AUSTIN

Engineering Building Equipment

THE AUSTIN COMPANY, Cleveland

We are interested in a

_____ building. Approximate size
_____ stories high. Please
tell us more about Austin Buildings and send
us a copy of your circular, "Austin Unit
Responsibility Guarantees Results."

Firm

Individual

Address _____

N. B. 3-24

AM
THE
AUSTIN METHOD

Truck History is the Key to Sound Buying

Be sure the maker of the truck you buy is going to stay in business. This was never more important than it is today.

Stability is being sought for by nations as the key to prosperous, profitable years. The stability of its maker must be your key to prosperous, profitable years with the truck you buy.

Truck history reveals the importance of maker stability. Thousands of orphan trucks have been left almost valueless in the hands of owners. These orphans are the trucks made by the more than 500 truck makers who lacked stability—who have quit manufacturing trucks.

Truck history also reveals the steady rise of The White Company to the position of leadership which it has so long held. This leadership is a responsibility. It has not been acquired by chance. Chance cannot hold it.

In the White factory thousands of contented, well-paid artisans are conscious of their responsibility. With pride in their product they are daily contributing to White leadership. It is a daily challenge to them to build right.

Next, Whites are sold right.

"Build the best you can, add to your cost a fair profit, and your purchaser's satisfaction will be complete and enduring." That policy, laid down by the late Thomas H. White more than a score of years ago, has been handed down to two generations of Whites. Unchanged, it is White policy today.

And The White Company's interest in a buyer does not die with the delivery of a truck. The White Company has spread the boundaries of its factory yard throughout the world. Wherever duty calls and whatever the need, White Trucks are never far from interested care. Needs of the oldest White Truck are still adequately provided for.

Proof that White Trucks are made right, sold right, and kept rolling is the 100,000-mile record, published every Fall—a history in itself, of mileages in multiples of 100,000 attained by so many White Trucks of all models under all conditions that 100,000 earning miles has become a performance standard. The proof is in the Roll Call of White Fleets of ten or more, published every Spring—another history in itself, of the unfailing ability of one White Truck to sell another and another until many fleets number their Whites in hundreds.



Let truck history guide your purchase, whether you need one truck or a fleet.

Buy White Trucks and know that every dollar is buying you assured, sustained transportation.



Assuring continuous, sustained transportation everywhere



Spend all of your transportation dollar for transportation

ULTIMATELY you will demand the profit in motor transportation supplied by White Trucks. All of your transportation dollar buys transportation when you buy a White.

Each year more and more truck buyers quit shopping for motor trucks and buy assured transportation from The White Company.

Their White Trucks go on adding to the White performance records which already surpass in scope and volume any other motor truck records.

THE WHITE COMPANY
CLEVELAND

WHITE TRUCKS

When writing to THE WHITE COMPANY please mention the Nation's Business

Through the Editor's Spectacles

THE GOOD name of American business has much to lose because of the oil scandal. Regardless of the question of guilt—and knowing the many factors involved it would be the last thing in the world for us to prejudge the case—all business suffers. During a period, roughly twenty years ago, confidence in business was shaken, and it has been a tedious and heartbreaking struggle to win it back. Progress has been made, however, and lately there has been less bitter attack, less restrictive legislation in state capitals and in Washington. Business leaders became less gun-shy in offering help and counsel to the Government, and politicians became less wary about being seen with business leaders who, in most cases by the very attacks of politicians themselves, were looked upon with suspicion by the public.

Now the country is in danger of another orgy. Public sentiment slips back twenty years, business has no ethics, its code is to years, battle, and slash, and tear; piracy, brigandage, a money-grubbing contest where everything goes. Great success becomes synonymous with pillage and loot. Politicians will thunder, and the next eight months will see business pilloried on many a rostrum, many drastic laws will be proposed, the new generation will sniff—as its fathers did—at any reference to business morality and practice.

What is the moral? Who runs may read. The responsibility upon the individual business man is double. He should watch lest he bring into disrepute his fellow business men. He should be quick to frown upon sharp practices as he meets them, and quicker still to purge his industry of trade bandits and moral outlaws. But in this process of purging he should be equally alert that no man is driven out without his day in court.

CONFIDENCE in business is our priceless heritage. Through the hard centuries we have earned it, until today an expression of that confidence is found in the fact that 90 per cent of our business is conducted on credit, and credit is nothing more nor less than confidence of one business man in another that he will keep his word.

Consider for a moment. Trade in the early days was conducted at fairs. Merchants came from remote places and the fair served for our present day market system, and its most developed stage, the stock exchange. Usually a hill top or other advantageous location was chosen and quickly covered with streets of tented or wooden shops. In one, merchants from India with fine cottons, cloth made from the hair of camels; in another, Egyptians and Syrians with fine linens. Here were goldsmiths in a row; there the drapers.

And around the whole was a wooden palisade with guarded entrance!

On came the buyer. He felt and handled the specific article that he was to buy, and the seller on his part, felt and handled the specific coin or commodity with which the buyer was to pay for that article.

Years passed, and from the fair, the purchaser became willing to buy from a sample. He trusted the integrity of the seller to furnish the article in strict conformity with the sample.

More years passed and from the sampling came the selling by description and specifications in a catalogue, or by word of mouth. Readers of this magazine know as well as I

In This Number

	PAGE
The Fun I've Had in Business By CHARLES R. FLINT.....	13
Beginning the life story of the man who is proud to be called the father of trusts.	
Let the Seller Beware! By WILLIAMS HAYNES.....	16
A warning against the spreading evil of cancellations in all lines.	
Mr. Coolidge and American Business By JOHN CALLAN O'LAUGHLIN.....	17
An authoritative report of the views of the present incumbent of the White House.	
Henry Ford Talks White Coal By JAMES MARTIN MILLER.....	20
A genius of manufacturing discusses the possibilities of the further use of our water power.	
Sober Sense About Super-Power By JAMES H. COLLINS.....	21
What this great project means to the electrical industry and to users of electricity.	
We Call On a Good Customer of Yours By MERLE THORPE.....	24
The editor of THE NATION'S BUSINESS reports a call on Cuba and its President.	
Getting It Settled Out of Court By HERBERT CONEY.....	26
The best argument for arbitration—an argument from an actual occurrence.	
The Battle of the Bonus By ED STREETER.....	29
A "Dere Mable" letter on an up-to-date topic.	
Our Interdependent Industries—Steel By JAMISON HANDY.....	30
The fourth installment of a pictorial story of the industries, their interdependence and their inter-relation.	
Selling in Southeastern Europe By FREDERICK SIMPICH.....	34
The last of a series on the post-war foreign trade of Europe.	
Editorials	36
Business-Managing Our Cities By DORSEY W. HYDE, JR.....	38
How far has this movement for city managers gone, and what are its prospects.	
Your Playground a Business Asset By WILLIAM BUTTERWORTH.....	40
A civic-minded business man talks the dollars and sense of the recreation field.	
The Map of The Nation's Business By FRANK GREENE.....	42
Better Days Ahead for Farmers By ARCHER WALL DOUGLAS.....	44
Linking the Farm to the Factory By JULIUS H. BARNES.....	46
The President of the National Chamber has a pertinent suggestion to offer to our agriculture.	
The Bus and Truck in Transportation By WALTER C. WHITE.....	48
A plea for fair play by a man who knows his industry from the ground up.	
Vote for Men Who Save You Money By LEWIS E. PIERSON.....	52
The third of Mr. Pierson's timely and valuable articles on taxation.	
Assembling Regional Opinion By a MEMBER OF THE STAFF.....	56
Transportation's Town Meeting By ELMER MURPHY.....	60
A summing-up of what the recent conference called by the Chamber accomplished.	
Listening In on Congress	68
Chips from the Editor's Work Bench	72
Trade Paper Digest	78
"Through the Customs Maze" (Book Review)	86
Government Aids to Business	90
News of Organized Business	96
Recent Federal Trade Cases	102
Human Nature in Business By FRED C. KELLY.....	108

Vol. 12

No. 3

THE NATION'S BUSINESS

Published Monthly by the Chamber of Commerce of the United States, Washington, D. C.

MERLE THORPE, Editor and Publisher

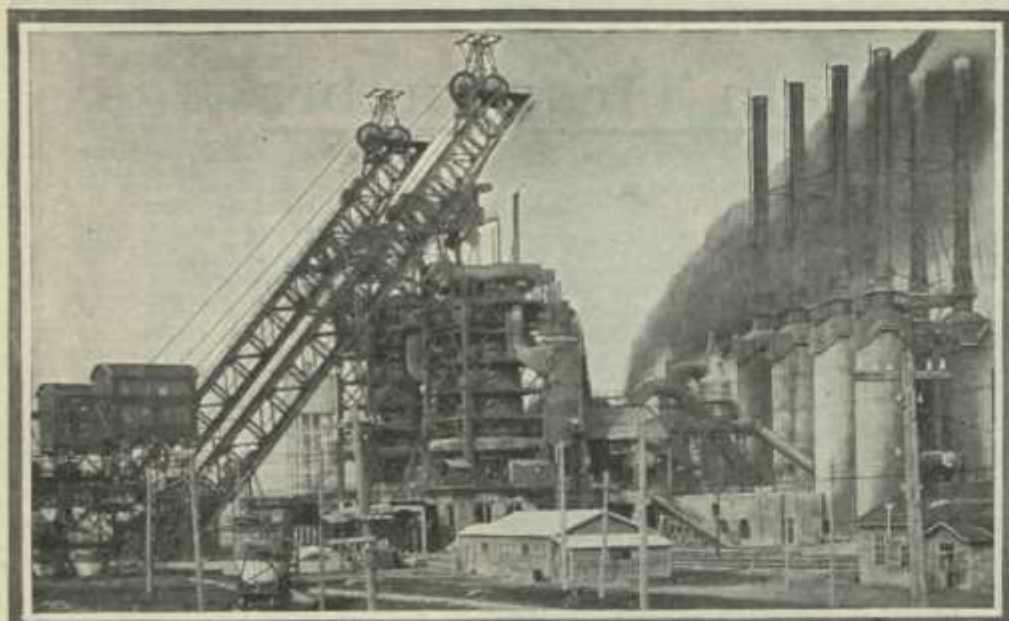
Managing Editor
WARREN BISHOPBusiness Manager
J. B. WYCKOFFDirector of Advertising
VICTOR WHITLOCK

GENERAL OFFICES: MELAN BUILDING, WASHINGTON, D. C.

Eastern Office, New York
Woolworth Bldg.
GEORGE K. MYERS
R. L. G. REESCentral Office, Chicago
Otis Bldg.
FRANK M. CAGHMELENCleveland Office
Keith Bldg.
CLYDE A. STEVENS
NORMAN M. PIERCE

SUBSCRIPTION RATES: Three years for \$7.50 (full term); one year for \$3.00 (part term); single copies, 25 cents.

As the official magazine of the National Chamber, this publication carries authoritative notices and articles in regard to the activities of the Chamber. But in all other respects, the Chamber is not responsible for the contents of the article or for the opinion to which expression is given.



Anshan Steel Works operated by the South Manchuria Railway Company.

Manchuria's Markets are open to the world

Manchuria—the three Northeastern Provinces of China—is a land of great material resources which have only begun to be developed. It is a land of opportunity—not alone for the people of Manchuria, but for all the world.

The ports of Manchuria, its extensive rail and water routes, its commercial and banking facilities, and its rapidly growing markets—all are at the service of the merchants and manufacturers and traders of the world—without discrimination.

Dairen, center of the bean oil industry, which is now the second port of China in volume of trade; Anshan, with its modern steel and iron works; Fushun, where is one of the richest coal mines in the world; Mukden and Changchun, railroad centers where converges South Manchuria's vast and ever-increasing commerce—these are outstanding evidences of development in a land also

rich in the scenic beauty and picturesque life of the Orient. All these owe their prosperity chiefly to the South Manchuria Railway.

In 1906, when the South Manchuria Railway Company was organized, the total foreign trade of the country was less than \$50,000,000. Now, each year, it runs into the hundreds of millions. This railway alone has purchased more than \$75,000,000 worth of American materials and equipment, and every year brings large new orders.

American travelers in Manchuria and Korea are surprised and delighted to find there the same powerful locomotives and comfortable Pullmans to which they are accustomed at home. The South Manchuria Railway also operates a chain of excellently equipped Western-style hotels, each with a local charm; travel bureaus, city and country clubs, and seashore resorts.

Manchuria in Motion Pictures

The New York office of the South Manchuria Railway Company has two reels of interesting and enlightening pictures showing the intermingled Oriental life and modern development of Manchuria. They show Manchuria at work and Manchuria at play. This film, requiring about an hour to show, is made for the standard American machine. It will be lent to organizations or societies free of charge, except transportation cost. If you wish to borrow this film, or if you wish free travel literature concerning Manchuria and Korea, write to South Manchuria Railway Co., 211 Broadway, New York City.

Your Host and Guide

SOUTH MANCHURIA RAILWAY

When writing to SOUTH MANCHURIA RAILWAY CO. please mention the Nation's Business

how much of the business of the nation is consummated by telephone today.

And the seller no longer insists upon a finger held upon the coin before he surrenders his grip on his wares, nor does he bite the coin to be sure that it is all its appearance implies. He is more apt to say, "You will get a cash discount if you send me in thirty days a check," a piece of paper, which by the way is only another example of this business confidence.

Confidence is, indeed, a priceless heritage of business, an asset, intangible, yet so closely akin to good-will, that a breath of suspicion will lower its value overnight. And we must remember that the sum total of the business practices of all of us establishes the metes and bounds of that confidence.

MR. JOHN M. CRAWFORD, of Parkersburg, president of the Parkersburg Rig & Reel Company liked the February number. He says, "Every month THE NATION'S BUSINESS gets better and better. The February issue is a gem. The one article 'Tooters of Tenor Horns' is worth the price of a year's subscription. More power to you!"

A GREAT many people have found it good business to let Harry Wheeler handle their money. He has served their trust so wisely and so well that every year has brought new and greater responsibilities. With the beginning of this year he was elected from a vice-presidency to the presidency of the Union Trust Company of Chicago, an office made vacant by the election of F. H. Rawson to the chairmanship of the board of directors.

Mr. Wheeler's ability to get things done has been convincingly shown outside the scope of banking enterprise. Civic development and national affairs have benefited by his able counsel and direction, and the Chamber of Commerce of the United States acknowledges the practical quality of his leadership during the terms of his presidency in the years 1912-1913 and 1918-1919. THE NATION'S BUSINESS also desires to offer its hearty congratulations on Mr. Wheeler's latest honor—it congratulates him, the Union Trust Company, and all persons who may use the company's facilities.

MR. W. W. STARK, president of the American Column & Lumber Company liked "The Battle of the Thirty-Second" for two reasons—"the author understands his subject and he knows how to get his ideas across." This is a pretty good definition of a successful writer—and of all other success, too, for that matter.

ON MANY occasions we have had something to say in this column about the difficulty of finding out what a given group of readers really wants. There is no scientific way of getting at the answer. Editors have tried to circulate among their readers, have sent out questionnaires, have resorted to every trick known to the profession in an effort to get at the public mind relative to magazine material. But the best that can be done is a guess, and the good guesser wins.

What, however, is an editor to do when evidence like this reaches him? The editor of the *Southwestern Purchaser* asked a purchasing agent what he liked to read in the magazines that came regularly to his desk.

"Well," answered the buyer, "I go over card-filing ideas in *System*, and always read Frederick Simpich's articles in THE NATION'S BUSINESS on foreign trade."

There you are. Nut peddling in Barcelona

South Manchuria Railway (heavy black line) through Manchuria and Chosen, connecting with Chinese and Japanese rail and coast-wise lines, and ocean-routes to Europe and the United States.





Increasing motor car value

BUICK, Cadillac, Chevrolet, Oakland, Oldsmobile—these are the five passenger cars made by General Motors.

In performance, control, appearance and value they represent advanced thought in motor car transportation, and there is a suitable model for every buyer.

By coordinating the purchasing power of its divisions, General Motors effects large economies in the building of each car. And the total volume of sales is so large that the margin of profit on each car is relatively low. Both factors result in a material saving in dollars to the buyer of any General Motors car.

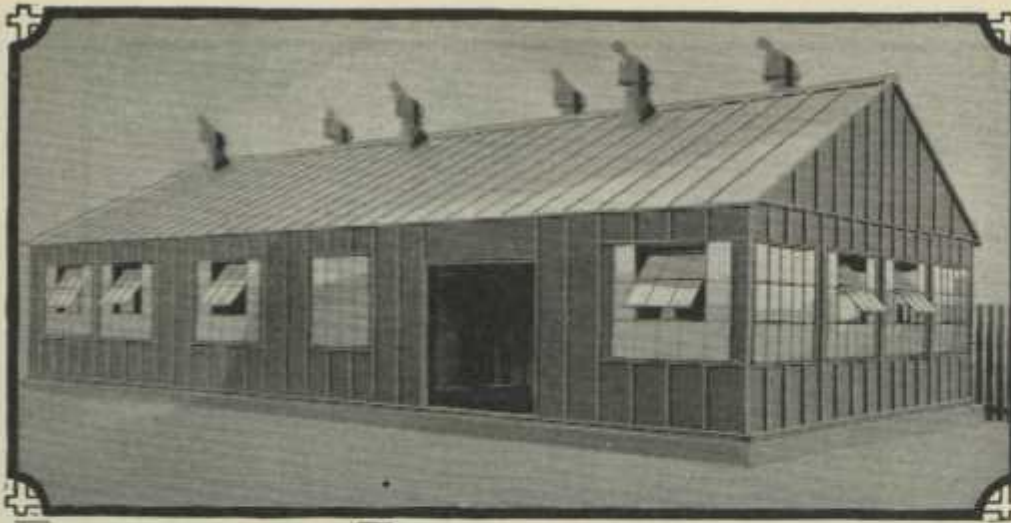
A booklet will be mailed you, if a request is directed to the Department of Publicity, General Motors Corporation, New York.

GENERAL MOTORS

BUICK • CADILLAC • CHEVROLET • OAKLAND • OLDSMOBILE • GMC TRUCKS

Delco and Remy Electrical Equipment • Harrison Radiators • New Departure Ball Bearings
 Hyatt Roller Bearings • Jaxon Rims • Fisher Bodies • AC Spark Plugs—AC Speedometers
 Brown-Lipe-Chapin Differential Gears • Lancaster Steel Products
 Inland Steering Wheels • Klaxon Horns • Jacox Steering Gears
 Delco-Light Power Plants and Frigidaire

- United Motors Service provides authorized national service for General Motors accessories •
- General Motors Acceptance Corporation finances distribution of General Motors products •
- General Exchange Corporation furnishes insurance service for General Motors dealers and purchasers •



This small factory was erected as an addition needed quickly for rush work. Note the fine paneled appearance given by the patented interlocking joints.

Buy a Swartwout!

SWARTWOUT Metal Buildings have all the advantage whenever you need an industrial building 30 ft. wide or less.

They are made in standard panels, of heavy rust-resisting metal, will last for many years—and may be moved if necessary without loss or depreciation. Windows and doors can be located to meet any condition. The length can be whatever you desire.

The famous interlocking joint

The objectionable features of other small buildings are eliminated by the patented interlocking joint. Standard panels lock together and form their own frame. No structural iron is needed.

Swartwout buildings are strong—but lighter in weight than any other of the same gauge of metal. They are absolutely weatherproof and fire-proof. They are easily erected. One man and a helper can erect an ordinary Swartwout building in one day and can, if the occasion requires, take it down and set it up somewhere else just as easily. Yet it is as firm and enduring as any permanent building of its size. The joints divide the outside of the building into neat panels of great beauty. The inside wall is perfectly smooth.

When you need a small industrial building—buy a Swartwout. It will be shipped from stock—promptly. But first send for our catalogue. Let us tell you where you can see a Swartwout Building. Thousands are in use today. Write or telegraph. Our branches and agents are at your service.

THE SWARTWOUT COMPANY
18505 Euclid Avenue • Cleveland, Ohio
Factories: Cleveland—Orrville

Swartwout Metal Buildings

"WITH THE INTERLOCKING JOINTS"

When writing to THE SWARTWOUT COMPANY please mention the Nation's Business

interested him and so did the cross-index and the perpetual inventory. Not much help there for either of us, Brother Brown, in determining off-hand our editorial program for next year.

WE RECEIVED many letters about the Rubin article, "Russia Ended Socialism for Me." Perhaps these two will show the wide range of the critiques. The first is from Mr. Jesse T. Brillhart, Supreme Deputy Chancellor of the Knights of Liberty. It says:

I have read several very severe criticisms on socialism and communism, but never anything so silly and far-fetched as the Rubin article.

If you paid good hard money for that article you have been stung. Socialism and communism have no connection any more than socialism and capitalism, excepting that socialism is born from out of the womb of capitalism through evolutionary development and not by bullets, but of the ballot and the developed machine.

Communism nor any other issue could ever succeed in such backward and undeveloped countries as Russia. Russian capitalism is responsible for that.

Socialism can, and will, only succeed when human nature is changed; and that will happen when the human race is more highly developed.

The human nature of today is the product of our present capitalist state; and in its selfish training with its false hopes and desires ungratified, the corruption and mental stagnation incident thereto, our present capitalist state will be succeeded by a higher developed capitalist state, international in its character; and out of that higher development will come the next state, or step—it matters not what you call it, or whether you wish it or no. Society, being a creature of man, develops to its full bloom, then dies as man, its creator, does, i.e., serfdom and feudalism have passed away. Watch the development of the machinery of production, distribution and exchange, and you do not need the prophet's wisdom to discern the future.

Rubin knows nothing of either Socialism or Communism. If he does he has prostituted his knowledge for pelf.

THE SECOND is from Mr. Frederic A. Delano, formerly president of the Wabash, later a member of the Federal Reserve Board. Mr. Delano says:

I read with great interest the leading article in your February number by Jacob H. Rubin, and I congratulate you on it. It seems to me that, coming from the source it does, it is a most impressive statement and ought to be given the widest publicity. It illustrates so well the fact which I have long entertained that socialism is in its best sense the highest type of idealism. The obstacle to socialism is the average human animal, which makes the application of the theory quite impossible.

I do not know whether you are familiar with some brief but very pungent comments in the diary of Governor William Bradford, of the Plymouth Colony, 300 years ago. They made an honest effort to practice the theory of socialism, and it failed completely because the more industrious ones—and especially the wives of the more industrious men—resented the fact that the lazy ones got the most benefit.

PHILADELPHIANS have long endured mocking measures of their pace of life. If they have taken their own time to do things, they have been able to speed the affairs of busy men throughout the world. Some of the fastest passenger trains in this and other lands are pulled by locomotives made in Philadelphia. They come from the Baldwin works. They are sold by Samuel Vauchain—sold over the telephone, many of them. By way of illustration, it may be said that Mr. Vauchain recently took an order for

The interior of a Swartwout Metal Building in use for die and pattern storage. The material is perfectly protected from fire and weather. Note the smooth, even joints between wall panels.

Swartwout Metal Buildings are particularly adapted for multiple garages. They can be extended indefinitely in length, and will house fleets of trucks, or the cars of executives and workmen.

Other products of The Swartwout Company:

- Swartwout Rotary Ball Bearing Ventilators.
- Swartwout Industrial Ovens for Japanning, Core Drying, etc.
- Swartwout Junior and All Service Feed Water Heaters.
- Swartwout Steam Specialties, including Traps, Strainers, and Steam, Air, Oil and Gas Separators.



The Key to the Labor Supply Problem

Limited labor-supply is locking the door to increased production. This door is not locked, however, to the plant using the proper key.

Leaders of Industry recognize that in adequate Conveying and Material Handling Equipment they hold the key which postpones the day of their labor-shortage.

So many men can be released from non-productive work by mechanical handling of materials that they will readily fill the need for men on productive work. Material Handling Equipment

See Next Page—

JEFFREY
MATERIAL HANDLING
AND MINING EQUIPMENT

Continued

—skilled laborers of iron and steel—will do all and *more* than man-power under normal immigration could hope to accomplish.

In the face of a possible industrial emergency, Jeffrey Equipment points out to American Industry how to overcome a situation that calls for definite action if production is to be maintained.

Jeffrey Material Handling Equipment

WHAT are Jeffrey Material Handling Equipments doing for such Industrial Leaders as Ford, General Motors, Hershey Chocolate, Standard Oil, Pennsylvania R. R., American Sugar Refining and many others?

These Equipments carry the heavy loads of industry. They cut down unproductive labor to a minimum. Labor is aided in its back-breaking tasks. They produce results of a skilled hand with an unskilled worker. They maintain American living standards. They give labor a chance to produce with the head instead of the hand. They work as hard at 5 P. M. as at 7 A. M. They make More Profits for their owners.

Here are illustrated a few of the many types of Jeffrey Material Handling Equipments built to handle loose and bulk materials, raw and finished products for every industry.

Jeffrey Engineers can give you some valuable suggestions. An illustrated catalog will be sent on request.

The Jeffrey Mfg. Company
Columbus, Ohio



JEFFREY

MATERIAL HANDLING
AND MINING EQUIPMENT

375 Decapods for use by the Pennsylvania Railroad. The order amounted to \$30,000,000, and the time required to take it was three minutes. The estimate of profit has been placed at \$3,000,000.

The telephone saved the railroad company's time, saved Mr. Vauclain's time, saved the time of men in the works who got at the order directly it was confirmed. Mile-a-minute locomotives! Million-a-minute works! And still there be those who look upon Philadelphia as the tortoise of our cities. Sleepy Philadelphia! Ha! ha!

OUR MANY readers who contend daily with the vagaries of customers will shed the sympathetic tear with us when they learn that Mr. R. M. Harper, of Little Rock, does not read THE NATION'S BUSINESS because it is too large when bound to fit his bookshelves. Our large pages, he says, "may cause no inconvenience to the thoughtless multitudes who throw away their magazines after reading them, but when I have any literature of permanent value I want to keep it on a shelf."

AS GOOD a bit of campaign literature as we have ever printed against the bonus is Ed Streeter's "Dere Mable Letter," in which he presents most effectively the view of the ex-soldier who can see no reason why the able-bodied should at this time get a bonus. The letter was prepared for and has been widely circulated by the City Club of New York Post of the American Legion, which has been a leader in the fight of ex-service men against adjusted compensation.

JESUS B. ORTIZ, of Magdalena Sonora, Mexico, Calle principal, No. 53, writes us a letter, which translated, reads as follows:

I have discovered the famous perpetual motion; that I have a miniature of this apparatus; that it develops a certain amount of power, and with an apparatus of good material it would develop even more power. My apparatus does not burn any combustible material nor does it contain any cords. I should like to make a trial of my instrument but our government is so busy that it will pay no attention to me.

If you are interested in this proposition you might send a man to me to come to a conclusion. I should like to sell my discovery to you in order that you might bear the cost of patenting it. We would come to an agreement through a written contract. You will guarantee to me the money consideration of the contract and I will guarantee to you perpetual motion. It is a balance wheel of 3½ inches which gives more than 60 revolutions a minute without fuel and without cords. I would pray you to send me a prompt reply.

Now that this question of perpetual motion is settled and out of the way, we can move on to something else.

THE ARMY Air Service would like to know how to name four airplanes for four American cities and have all the other American cities satisfied that the right names were chosen. The four airplanes are the ones that are to set out from Los Angeles on March 15 to circle the world in a 30,000-mile flight. Shall they name the planes for the four largest cities? for a city in each of four geographic centers? for cities that have aided aviation? or how?

If one plane be named Los Angeles, will San Francisco feel content? Is Seattle to sit quietly by and not put forth its rights to represent the Pacific coast? Should St. Louis or Chicago represent the Middle West? New York is the largest city on the Atlantic coast,

In the twenty-one years since the Union Trust Company first took space in this building which it has now acquired, deposits have grown from \$5,000,000 to more than \$55,000,000.



UNION TRUST BUILDING—CHICAGO

Important Developments

PRE-EMINENTLY commercial for more than half a century, the Union Trust Company has made the following farsighted provisions in connection with the steady growth the Bank is experiencing in all departments:—

- The election of Mr. Frederick H. Rawson to the newly created Chairmanship of the Board.
- The election of Mr. Harry A. Wheeler as President of the Bank.
- The purchase of the Tribune Building and leaseholds covering a quarter block at Madison and Dearborn Streets—in the very center of Chicago's commercial activities.

These new developments assure to our customers throughout the country a continuance of those high standards of service and that spirit of close co-operation for which the Bank has become widely and favorably known.



1869

1924

UNION TRUST COMPANY

Madison and Dearborn Streets • Chicago

The Bill of Lading Bank in America's Freight Center

A Half-Dozen Famous Products That Have Benefited Through Pressed Steel

1. "Gainaday" Washing Machines
2. "Lincoln" Electric Motors
3. "Fry Visible" Gasoline Pumps
4. "Chambers" Stoves
5. "Prima" Wringers
6. "Federal" Trucks

YOU know every one of these products. They are but a few from hundreds of varied manufacturers who have found that "pressing it from steel instead" has given them unusual advantages over cast parts previously used. Summed up these advantages are:

1. Saving in cost
2. Increased production
3. Decreased weight
4. Smoother surface
5. Elimination of breakage
6. Greater similarity of parts
7. Elimination of machining operations
8. Increased strength

None has gained all, but every one has gained three or more through our redevelopment service.

Get in Line with the Progressives
If you are a user of cast parts, your problems are the same as any of these six. Our redevelopment engineers are anxious to work with you—to show you how pressed steel can cut your costs. Send us a sample or blue print—we will tell you—without obligation—what pressed steel will do for you.



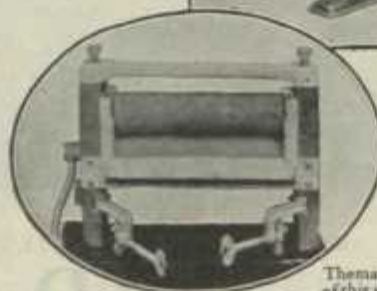
One of the important savings made for a washing machine manufacturer was a 25% reduction in cost on a pressed steel wringer housing redeveloped from cast aluminum.



The elimination of expensive machining operations by the use of pressed steel parts on this gasoline pump standard was one of several advantages gained.



This motor manufacturer gained 5 advantages with a pressed steel rail that took the place of a cast rail.



The manufacturer of this wringer reduced his material costs one-third by using pressed steel parts—and made a better wringer.



A stove manufacturer saved five pounds of material on the legs of this stove by using pressed steel and found the steel parts easier to enamel.



This pressed steel radiator shell weighs 35% less than the cast shell it replaced, which is only one of the savings produced.

"Press it from Steel Instead"

YOUNGSTOWN PRODUCTS FOR MANUFACTURER & BUILDER

AGRICULTURAL
TRUCK & WAGON BOXES - SEATS
LUMBER LATHING - FURNACE DOOR WHEELS
BARBED WIRE - CLAMP - CHAIN - SHIELD
LAND ROLLER, HEADS

AUTOMOTIVE
RADIATOR, BODIES - CRANK CASES
HOUSING COVERS - BRAKE DRUMS
CLUTCH DISCS - STEERING HANGERS
HUB FLANGES

GENERAL
LIFT TRUCK PLATFORMS - TANK HEADS
DISK BRUSHES - CAR WHEELS - WHEEL DISCS
HATCH CLEATS - BARREL HEADS
COMPOUND SCISSORS

FIREPROOFING
MACHINE COILS & ROLLER PARTITION MATERIAL
ONE EIGHT CHURCH LATHING - INTERIOR & EXTERIOR
EXHAUSTS & CHIMNEYS - CYLINDERS - HEAD COVERS
MACHINE HOLES & ROLLER METAL LATH

THE YOUNGSTOWN PRESSED STEEL CO.

Main Office and Factories
WARREN - OHIO
District Offices

New York - 50 East 42nd Street
Chicago - McCormick Building
Philadelphia - 401 Finance Bldg.
Detroit - 1213 Ford Building

When writing to YOUNGSTOWN PRESSED STEEL COMPANY please mention the Nation's Business

but what of Washington as the capital? or Philadelphia? or Boston?

These are hard problems, and anyone who can solve them will confer a favor on Lieut. Clary, the assistant chief of the Army Air Service's Division of Information.

It's a tough job, and no one knows better how tough it is than the editor of a business paper. Local pride is a powerful thing, and we hear much of it in the offices of THE NATION'S BUSINESS.

THERE is food for thought by all business men in an article in this number, "Let the Seller Beware," by Williams Haynes. If the situation is as bad as he describes, there is cause for concern on the part of each and every business man in this country. How is it with your own company? Do you cancel ad lib? Is there ever justification for cancellation of a contract? Is "custom of the trade" a moral alibi? What do you think about it? I know one firm which boasts that it has never cancelled an order in its forty-odd years of business dealings, and is proud of it. Are there others? If not, why not? I should like to hear from readers on this subject, not necessarily for publication, but for assistance in adjusting our editorial sights.

A SENATOR rises to call for an investigation of the "propaganda" of the press in behalf of tax reduction. He views with alarm that 90 per cent of the American press is for lower taxes. Strange and disturbing that seems to the senator. He wonders. He is suspicious. Why should the American people be so wholehearted in their enthusiasm for lower taxes?

We cannot believe there is a general delinquency among taxpayers. Rather, an investigation might show the senator that it is still a significant satire on government that of all debts, men are least willing to pay taxes—and reluctance is in direct proportion to the weight of the burden.

I SPOKE to about 650 members of the Rhode Island Engineering Societies at Providence one day last week. Just why this story should have been told me with such gusto at that particular time I do not know, and I don't like to follow the thought to its conclusion. Anyway, here is the story:

It was a Chamber of Commerce annual meeting banquet. The retiring president made his annual address. The new president spoke. The new vice-presidents—three of them—were called upon for a few words. Then the mayor addressed the gathering.

Finally, at 11.30, the out-of-town speaker of the evening was introduced. He proved to be a dud, and as he drooled on for forty-five minutes, the crowd became restless. There was fidgeting, audible yawns, and scraping of chairs. The chairman felt that something must be done to maintain the well-known courtesy and hospitality of his organization. He seized his gavel, and whacked the table. The audience straightened up. The speaker went on, unmindful that the chairman in swinging his gavel backwards had cracked on the skull one of his reception committee seated in the semicircle behind him on the platform. The member crumpled up and passed away. A few minutes later as he stirred and opened his eyes a friend sitting next to him leaned over and whispered:

"Are you all right now?"

"No!" came back the feeble reply, "hit me again, I can still hear him a little!"

M.T.



New cards may be added any time and in any order, easily, quickly, securely and without possibility of misfiling.

Visualizing facts this new way multiplies value of card records

It's remarkable how valuable your card records can become. In place of being considered as an expense, they can be made to yield you actual, tangible profits.

You can now so visualize every business condition that when a customer stops buying, you know it instantly with a vivid, detailed picture flashed before your eyes.

Exposed Facts Stimulate Action

When the sale of a commodity in your line slows up, this modern method galvanizes you into action. Or if some stock item fails to turn over as quickly as it should, immediately this vital fact stares you in the face until you take steps to correct it.

Should one department in your plant show symptoms of becoming unprofitable, the Acme method will reveal the danger in time for you to check it. The sudden rise of a cost that may work a hardship on your business, signals itself to you in an unescapable manner.

Makes you Master of Conditions

Acme equipment makes you act. It substitutes the



speed and accuracy of the eye for the old, slow, laborious, inaccurate methods of searching, removing and replacing of records. It puts you in complete control of the factors that govern your business.

Acme visibility or method of "exposing information" is applicable to all kinds of commercial records and meets every requirement of flexibility and expansion as your records grow. It multiplies their working value four-fold or more. Thousands of institutions using Acme Visible Records Equipment have seen a revelation in routing short-cuts. Acme is as practical for small systems as for the most extended and complicated; your present cards can be transferred to it without re-writing the records. Get the facts on how it will help you.

Interesting Booklet on Request

Our newest booklet on record-keeping is a mine of valuable information. 32 pages, profusely illustrated. Use the convenient coupon below or write us on your letter head. It will be mailed postpaid and without obligation.

ACME

VISIBLE RECORDS EQUIPMENT



ACME CARD SYSTEM COMPANY,
114 So. Michigan Avenue, Chicago, Ill.

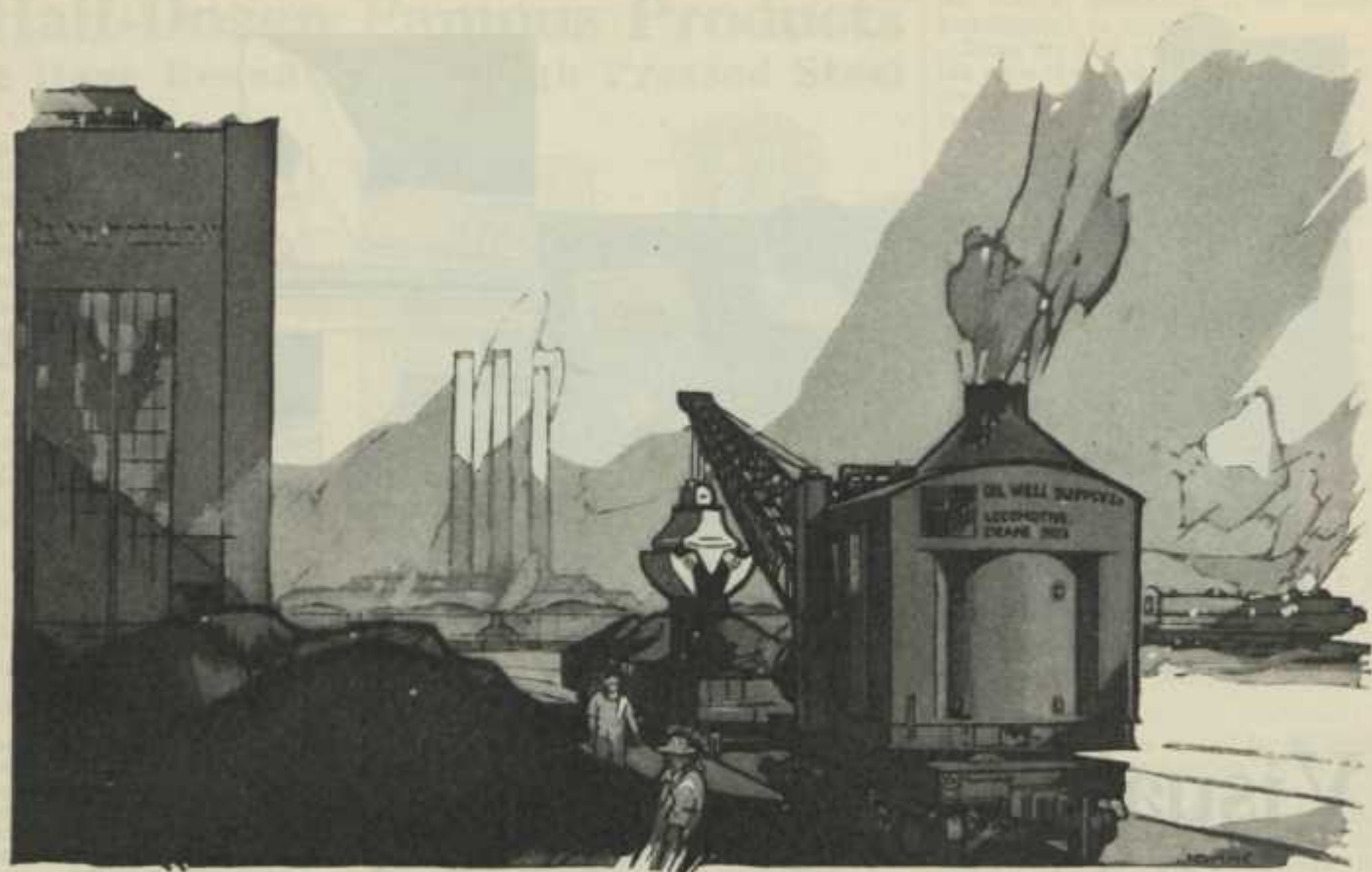
N.B.-324

Please send me copy of your latest booklet on record-keeping and a sample form applicable to
.....(kind of record.)

Name of Firm

Address

By



Great Utility Makes This Crane Highly Economical

The wide variety of jobs that the Brownhoist locomotive crane can do—and do well—has made it practically indispensable to scores of industrial plants. Because of its great utility—and because it can be kept continually at work—it is exceedingly economical and profitable equipment for any concern that contends with heavy handling problems.

An excellent example of the adaptability of this Brownhoist crane is

furnished by The Oil Well Supply Co. of Oil City, Pa. They write:

"We are using it for unloading pig iron, scrap and sand; for grading by means of the clamshell bucket; for collecting steel scraps from the machine shop by means of the magnet; and eventually loading them from a storage bin into out-going cars. It is being used on construction jobs. Also, recently it was used to remove a railroad trestle.

"The saving of time and money by this machine is large."

If you have a handling problem of any type, the advice of Brownhoist engineers is yours for the asking.

The Brown Hoisting Machinery Co., Cleveland, O.

*Brownhoist Products: Heavy Dock Machinery, Locomotive Cranes, Bunkers, Conveyors, Bridge Cranes, Buckets, Etc.
Branch Offices: New York, Chicago, Pittsburgh, San Francisco, New Orleans, London, Eng.*

BROWNHOIST

M A T E R I A L H A N D L I N G M A C H I N E R Y

When writing to THE BROWN HOISTING MACHINERY COMPANY please mention the Nation's Business

The Fun I've Had in Business

No. 1—The Old Ships and the Old Seas

By CHARLES R. FLINT

Next Month—My Adventures in South America

THOMASTON, Maine, had been building vessels since 1787. Our old men were libraries of sea lore. They told me, when I was but a boy, of the slave trade and the sea rovers—of what going down to the sea in ships meant in the old days. I well remember the small arsenals carried by our vessels in the sixties and how the merchant ships had gun ports painted on their sides to make them look like men-of-war that they might frighten away Chinese and Malay pirates.

My father, a practical ship-builder, wanted me to know about vessels. It was his custom, when I was still a boy, to walk with me from wharf to wharf along the New York waterfronts, and, by going to different sections each week, we managed to inspect almost every vessel in New York harbor. In these days the waterfront glistened with bright-front masts, spars, and a long line of bowsprits with rigged-out jib-booms that reached nearly across South Street. My father would point out to me the difference in models, comment on the rigging, and call attention to inferior construction. We were particularly interested in the clipper ships and were welcomed on board them by their officers. In the course of several years we boarded the *Swallow*, *Dreadnaught*, *Comet*, *Flying Cloud*, *White Squall*, *Reindeer*, *Shooting Star*, *Witch of the Wave*, *Sea Witch*, *Northern Light*, *Harvey Birch*, and *Lightning*. These names reflected the qualities of the ships, as the names of the first New England craft—*The Gift of God* and *The Blessing of the Bay*—reflected the religious sentiments of our Puritan forefathers.

My father and uncle, who formed the firm of Chapman & Flint, named their ships after the saints: *St. Mark*, *St. Lucy*, *St. John*, *St. Nicholas*, *St. James*, *St. Francis*, *St. David*, *St. Stephen*, *Santa Clara*, and *St. Paul*; and after their record had been unmarked by an accident for many years, they stopped carrying insurance. But when they named one of their ships the *W. R. Grace*, she went ashore after anchoring inside the Delaware Breakwater and was a total loss, while the ship Charles R. Flint, bound to Japan with a



CHARLES R. FLINT once bought, equipped and manned a navy for a South American republic and delivered it in six weeks; and a man who can do that knows something of business as the great game.

Organizer of "trusts," pioneer in foreign trade, friend and confidant of leaders in politics and finance, few men have ranged so far in their enterprises and had so much fun doing it as has Mr. Flint.

"It has been said too frequently," he says, "that a rolling stone gathers no moss. But, I have never heard anyone speak of the fun the rolling stone has in rolling."

And there is the Flint philosophy. There's fun in business, and for more than half a century he's had it. He has dealt with men and governments. The Morgans, father and son; Roosevelt; Schwab; Blaine; Carnegie; Hanna; McKinley; Count Witte, of Russia; an interview with the Czar; what James Stillman said was the secret of his success; Wu Ting Fang's question which E. H. Harriman couldn't—or wouldn't—answer; names and incidents like these flash through his mind when he talks.

And now Mr. Flint has written his "Memories of an Active Life," and *The Nation's Business* prints the first installment here. Yankee to the backbone, Mr. Flint was born in Thomaston, Maine, 74 years ago; and there he begins his story.—THE EDITOR.

cargo of oil, burned to the waterline off the coast of Brazil! When I was a boy, America led the world in fast ocean transportation. The famous clipper ships sailed around Cape Horn for California, and the *Andrew Jackson* made the record voyage from New York to San Francisco in 89 days and 4 hours, an average sailing voyage taking 120 days. The "Tea Clippers" sailed around the Cape of Good Hope for India and China. The packet ships carried passengers and fast freight across the Atlantic, the most celebrated of these being the vessels of the Black Ball Liverpool Packet Line. They were notorious for their brutal discipline—a record of which has been preserved in the chorus of a sailor's "chantey":

It was on a black baller I first went to sea,
Yo, ho, knock a man down.

It was larboard and starboard,
get aft to the poop
And I'll help you along with the
toe of my boot,
Yo, ho, knock a man down.

Heavy bets were made on the passages of these clippers. When Chapman & Flint first commenced shipbuilding in 1837 there was a race among twelve packet ships from New York to Liverpool, the *George Washington* and the *Sheffield* making the passage in seventeen days.

While we built superior clipper ships with sharp bows, clean runs, and unprecedented sail area, our success was due even more to men than to design. The American clipper ship captains were the most daring, and their crews were under the most perfect control, that the world had ever known. I was acquainted with many of them. In 1893, when fitting out the "Dynamite Fleet" for Brazil, I wanted a "Grand Admiral" and secured the services of Captain Baker—who embodied my idea of a typical Viking—of the clipper ship *Young America*.

I did not ask him for credentials for courage, because of a generally known experience he had had when two days out of Liverpool. On that occasion his crew mutinied and came charging aft to kill him. Having no time to get his pistol, he seized an axe, and in a short struggle killed five of the men. The others surrendered. The ship returned to Liverpool, and the court praised Captain Baker for the courageous way in which he had protected the property of which he was the custodian.

On board the clipper ships everything was sacrificed to speed. The right moment to shorten the light sails, the top-gallants, royals and sky sails was when "they took themselves in," and new sails were in reserve to replace those that were thus blown away. When there was a gale that would send the crews of ordinary ships clambering to reef their canvas, the captain of an American clipper would have all sails set. He took great risks but he commanded the confidence of all on board. When there was a gale he paced the deck the whole night long and caught his

sleep by day in short naps under the weather rail. He had the balyards of the important sails made of chains and locked, in order to provide against some sailor becoming desperately frightened and cutting them away.

Generally people become reconciled to the dangers they know but fear the dangers they know not. Two old salts in a gale were once cuddled up under some canvas sheltered by the top-gallant forecandle.

"Bob," said one sailor, "this is the most terrible night I have ever been at sea."

"Yes, Jack," agreed the other. "It's an awful gale, but I'm glad we're not in London where one of them chimney pots might be blown down and kill us."

In a gale a sailor might rest for a few moments, but the clipper ship captain was always alert. When he shouted an order the crew ran to obey or a mate would knock them across the deck with a belaying pin. Although the treatment of these crews seems brutal, everyone on board was intensely interested that "his ship"—on which he was generally betting—should beat its rivals and make the record run; and before the sailors came on board they knew, if sober, what to expect. It was aphorism of the sea that "you had the best treatment and worst grub on a Norwegian ship, and the best grub and the worst treatment on a Yankee."

Very often the captain of an ordinary sailing ship, in a gale with sails reefed, would see way behind him a white speck on the horizon, watch it grow until it came up and passed—a splendid ship with "every sail set,"

flinging the Stars and Stripes to the wind as she went roaring by—and then gaze after her until she disap-

peared miles ahead of him. It was a very picturesque age and it is not surprising that it should have been commemorated in poetry and song. One of the most celebrated of these songs, chanted by the sailors of the *Dreadnaught*, commanded by Captain Samuels, described an entire cruise of the vessel and ended with a description of her entering her home port:

And now she's a howling down
the Long Island Shore,
The pilot's aboard her, as he's
oft been before.

With st'n sails and stay sails aloft and below
She's a wild Yankee clipper; good God, let her go!

A word is due to the courageous women who often accompanied their husbands on long sea voyages. One of our captains after leaving an infected port off the west coast of Mexico became so ill that he could not sail his ship, whereupon his wife took charge and the voyage was completed under her command.

A striking example of courage and presence of mind was the case of the wife of Captain Baker, commanding an American bark that was transporting Jamaica negroes who were to work on the French Panama Canal. The bark was at anchor off the town of Colon. The captain went on shore leaving his wife alone in the cabin. There were five hundred negroes on board, and just before dusk they mutinied.

Mrs. Baker from a cabin window saw the fight going on between the negroes and the crew, but instead of being demoralized by the fact that the negroes, owing to their greater numbers, would soon overpower the crew and rush aft to break down the cabin doors, she reached out one of the cabin windows, took the signal halyards off the mizzen pin band, bent on and hoisted from the inside of the cabin the signal "Mutiny on Board." The American flagship *Tennessee* immediately responded and put down the mutiny just as the negroes were entering the cabin.

The advent of passenger mail and fast freight steamships was the death-knell of the clipper ship. A new type of sailing ship was then in-



augurated: a freight carrier modeled for large cargo capacity and economic speed. Chapman & Flint retained Naval Constructor Pook to design their ships and they were the first to build an elliptical stern, which afterwards generally superseded the round stern throughout the world. These American freight carriers, commanded by part owners, were for years the most successful in ocean freight transportation.

In 1860, when the English entered the Forbidden City, one of our ships, the *Frank Flint*, took British officers and sailors to Tientsin. At that time I was ten years old, and I well remember that the captain brought back to me Chinese bow guns which the English had taken from Celestial forts. My mother received many presents of patterns of silk from warehouses in the Forbidden City, where there was stored a sample of every pattern that was produced in China from year to year.

Lord John Hay, who was in command of H. M. S. *Odin*, went with his senior officers up to Peking on the occasion of the British entering the Forbidden City. They found the palace deserted and the little Pekinese dogs forgotten. Lord John picked up a pair and brought them home. That is how that fashionable breed came into England.

Of the members of my family that followed the sea, I first bring to mind my uncle, Captain William Tobey—kindly, fair-minded and possessed of excellent judgment. When he paid off his sailors after a long voyage he would send for me to assist him. The sailors were admitted to his stateroom one by one. They never saw his big pile of bills, but, in case of a run on the bank, I knew that he had an arm which would command respect and a grip that held fast anything that it got hold of. Like many kindly, just men, he was firm and courageous when patience ceased to be a virtue.

My uncle, Captain James Chapman, was over six feet tall, of powerful frame, and had acquired the manly art as a mate in the Forties. Most people said "he would rather fight than eat," but that was not so. He did not have to fight!

I remember one moonlight night when I went down the bay with him on his ship *St. John*—one of the largest of American sailing ships. He kept the tug alongside so that I could see the mates choose sailors for their watches, which they did alternately one by one. On the deck immediately in front of the cabin, the top of which served as a bridge, the first mate's watch lined up on the starboard, and the second mate's watch on the port side. As soon as the first mate reported that the watches were complete, my Uncle James stepped to the rail and made this speech:

"Boys, there are two ways aboard this



ship, a smooth way and a rough way. If you take the smooth way, it will be very smooth; and if you choose the rough way, it will be damned rough!"

Then, instead of waiting for applause, he ended the speech abruptly with the command: "That'll do, the watch below!" I never heard of an instance when the "rough way" was chosen.

During our Civil War, my uncle met Captain Raphael Semmes of the Confederate privateer *Alabama* at Gibraltar and they became quite intimate. One night after playing poker on board ship till the wee small hours, he said to Semmes: "All I have for the support of my family is a master's interest in this ship which I cannot afford to insure; I am interested to know what you will do if you happen to sight my ship out on the ocean."

Semmes did not hesitate. He told my uncle that as captain of the *Alabama* it was his duty to burn every Northern vessel that he could overhaul, and that no exception would be made. This logic, though disagreeable, was silently accepted by my uncle. But he did not get caught.

This uncle of mine was a typical American shipmaster, equal to any situation that might arise. In cases of accident to his ship he would read up on general average, and in case of sickness or accident, on medicine or surgery. I remember a time when most of his crew deserted at Acapulco. Sailors were unobtainable, so he did the unprecedented. He bought two ponies to swing the yards and hoist the sails. At the Chincha Islands the ponies hoisted a full cargo of guano, and hauled braces and halyards until the ship got to Callao, where the captain, having sold the ponies at a profit, shipped a full crew to round Cape Horn for home.

During the winters the sailing ships of Maine generally went to southern ports—Galveston, New Orleans, Mobile, Savannah or Charleston—to load cotton for the United Kingdom or the Continent. The captains, who were joint owners, were intelligent men of world knowledge and experience. They and the managing owners, who also went South, were entertained by many southern families of distinction.

Consequently there existed in my native town a sentiment which I can best describe in connection with a mention of the honor paid to me by the faculty of the University of Georgia, when they came to the home of my host, Dr. Harry Hodgson, a trustee of the university, to take part in the celebration of my 67th birthday. They asked me to talk about Russia, having heard that I had been there ten times during the Russo-Japanese War.

I took advantage of an opening to inquire if there were any member of the faculty who had ever heard of a New England town composed largely of southern sympathizers. They replied that they had never either heard or read of one. I told them that I could name one—my birthplace, Thomaston, Maine; and I accounted for it by the intimate friendships which had been formed under the genial influence of southern hospitality, than which there is none more charming.

And I added: "Now that I am revealing in the hospitality of Georgia, my only surprise is that my townsmen, in spite of their sentiments for 'The Union now and forever, one and inseparable,' and the burning of their ships by the privateer *Alabama*, were not tempted to enlist in the Confederate service!"



The depredations of the *Alabama* and other Confederate privateers were a great blow to American shipping, and from that time dates the passing of leadership in ocean transportation from America to Europe. There were many reasons why this transfer of primacy took place, the principal one being the supplanting of wood by iron and steel. The rating of steel ships was high, so insurance rates on ships and cargoes were low; also crews were obtainable at lower wages. As the Europeans succeeded, they developed great intelligence in the modeling and management of tonnage. And, at the same time, American capital was diverted from the sea

by the alluring profits of railroad development and other domestic exploitation.

To stem this natural turn in the tide, subsidies were sought. "Hurrah for the old flag and an appropriation." The slogan, "Trade follows the flag," was popularized. Whereas every merchant really knows that "Trade follows the price," C. I. F. (cost, insurance, and freight) with no mention of the flag.

The Morgan syndicates, furthering the consolidation of home industries, had been continuously successful for a long period of years, but when Morgan ventured outside of the wall of protection, and organized the International Mercantile Marine, it was unsuccessful until the war boomed the enterprise as it did many others. The ocean-carrying trade in normal times is a hard business requiring special knowledge and long experience, as mushroom shipowners of the war days discovered when war freights became a thing of the past.

The Flints had the second largest fleet of sailing vessels under the American flag; but, realizing that sailing ships could not compete with steamers of large-carrying capacity and moderate speed, they sold their sailing ships.

Flint & Co.—a firm composed of my father, my brother Wallace and myself—ran a line of sailing vessels from New York to San Diego, San Francisco, and Seattle. In competition was a line run by George Dearborn. Finally the Flints and Dearborns united: Flint, Dearborn & Co. was organized, and also the American and Hawaiian Steamship Co. The shareholders of this corporation realized over 500 per cent profit on their investment—the most successful American steamship company ever organized.

What Business Leaders Think of These Memoirs

Charles M. Schwab: "One of the most interesting I have ever read."

Charles H. Sabin: "I know of no one in New York who has had a more wide and interesting experience, or one so well qualified to write such a history."

Gen. Coleman Du Pont: "An encyclopedia of prominent men the world over for the last half century, and a story of energy and accomplishment."

William M. Wood: "As a panoramic picture of one man's search for adventure in big business, sports, politics, and international diplomacy, it is thoroughly enjoyable. As a record of sound achievement it is truly inspirational."

Let the Seller Beware!

PROVERBIALLY it is the buyer who is to be warned; the seller is popularly blamed for many of our business ills. Let us slip the boot on the other foot a few moments and see how it fits.

Once upon a time—this is a true story, not a fable—a Big Manufacturer called a Chemical Maker on the telephone. He wanted to buy a tank-car of a certain acid for immediate delivery, explaining that he must make certain goods quickly, and the chemical was essential.

So the Chemical Maker telephoned his plant manager, nearly a thousand miles away. Half an hour later the plant called back that special arrangements had been made with the railway to send a special switching engine and take the tank-car off their siding in order that it might get out on a fast, through freight, leaving at eight p.m. It meant working overtime, but they would guarantee this schedule. The Chemical Maker telephoned the Big Manufacturer this good news.

"Fine!" he exclaimed. "That's what I call real service. Ship the car at once."

Then the Chemical Maker quoted him the market price on the acid and asked him to confirm the order.

"You'll have our confirmation in the morning mail, and say, I certainly appreciate the way you have taken care of us in this matter. I won't forget it in a hurry."

So the Chemical Maker, because he mistrusted any communication slower or less direct, telephoned his plant manager the instructions, and the men went to work, and the tank-car of acid started that night, all according to schedule.

In the morning came the confirmation, but the mail had not been sorted before the Big Manufacturer called the Chemical Maker on the telephone.

"Cancel that tank-car order," he said.

He did not inquire if the car had been shipped. He did not ask whether the shipment might not be diverted. He did not request that delivery be postponed. He simply and baldly ordered the cancellation of his own order because a broker had located an odd lot of this same acid and could supply it with a saving of less than two cents a hundredweight in freight charges.

When the Chemical Maker refused to accept cancellation, this Big Manufacturer talked about "high handed treatment" and declared in vivid language that in the future his orders would go elsewhere.

Caveat emptor! Rather, Caveat vendor.

It is not even a state secret that we have a cancellation evil. Nor can we blink the fact that it grows more and more serious. That Big Manufacturer quite honestly believed that he was well within his rights in cancelling his order. His indignation was sincere. He was stone blind to the fact that his word is just about as good as a bond secured by a pail of dish-water; yet in his personal dealings he is a scrupulous and upright man, a highly respected citizen, a churchman, a bank director, the active head of a large, established business. His glaring inconsistency would be a good joke were it not serious. And it is indeed a serious matter

HERE IN the sixth of our new series on Distribution, Williams Haynes discusses the shocking evil of cancellation. We are reluctant to believe that there is this growing indifference in business to the pledged word, but Mr. Haynes, the publisher of "Drug and Chemical Markets," knows one industry.—THE EDITOR.

When Does an Order Mean Business?

By WILLIAMS HAYNES

Publisher of "Drug and Chemical Markets"

when men of this type hold a business obligation so lightly.

Already cancellation is beginning to be looked upon in many industries as an old established and legitimate trade custom. Although this cancelling habit has become widely prevalent only since the war, when the Government itself set business men a bad example, nevertheless it was more firmly fixed upon us during the deflation years of 1920-21.

It has spread far and quickly, and like most bad habits, it is extending its bad influence. For cancellation has brought in its train other questionable and costly practices. Its baneful influences have reached out until they touch the ultimate consumer at one end of our economic system and the producer of raw materials at the other. Every step in the production of goods, every step in their delivery into the hands of the user, is being made difficult and expensive because along the whole line of distribution, at any stage, goods may be thrown back.

Abuse Grows Among Retailers

ASK ANY retail storekeeper what he knows about "returned goods." His answer will not bear printing. At the suggestion of the drygoods trade associations this problem was almost the first to receive the attentions of the Bureau of Domestic Commerce, recently organized by Mr. Hoover. They have collected an appalling mass of facts and figures, published in a most illuminating report which comes to the conclusion that Mr. and Mrs. Ultimate Consumer, and all the little Consumers, too, do not now even take the trouble to have goods sent home "on approval." They make purchases and then send them back for any or no particular reason. Let the seller beware!

Ask a wholesale distributor, and he will tell you that he puts goods on the retailer's shelf without any assurance that they will not come back to his stockroom. If the retailer overstocks, if seasons and styles change, if goods are shop-worn, just send them back to the jobber and get credit for them. Real bargain sales to reduce overstocks, or to make room for new goods, or to move old stocks are going out of fashion. Send the goods back to the jobber and get credit for them. Let the seller beware!

Ask some manufacturer, and he complains that jobbers deal in wholesale quantities, collecting a carload and returning it, freight charges collect. During 1921, twenty-seven such carloads were received from wholesale druggists by a single manufacturer of pharmaceutical preparations. More than 60 per

cent of these goods had been bought and paid for, and 40 per cent of them had to be re-bottled, recorked, or relabeled before they could be put back into stock. In freight charges, in labor, in packing materials, in restocking his warehouse at a time when all his raw materials and manufacturing costs were lowering rapidly, the cost of these twenty-seven carloads was estimated to be something over a quarter of a million dollars. Let the seller beware!

Ask some producer of raw materials and you will learn that cloth for clothing, steel for tools, cement for buildings, alkali for glass, leather for shoes, rosin

for paper, acids for fertilizers, and scores of similar products all are bought on contracts that are cancellable at the option of the buyer.

Furthermore, these industrial buyers, face to face with the battle of competition and the threat of returned goods, are demanding that these same contracts, which they reserve the right to cancel, shall carry with them a clause protecting the buyer against any and all declines in price.

A contract that protects the buyer against declines and gives no similar protection to the buyer against advances is hardly *quid pro quo*. It is hardly, in the terms of the law, "a meeting of minds to mutual, equal advantage." In fact, it is no contract at all, merely an option to buy a certain quantity of goods at a price no higher than set forth, an option, furthermore, that the buyer considers may be delayed or even refused. Let the seller beware!

These basic raw materials, the metals, chemicals, fuels, fabrics, gums and pigments, lumber and hides, and what not, which are bought in large quantities on contract for use in all industries, are the very foundations of our economic structure.

Cancellation is driving wedges into these foundations that weaken seriously the stability of all American business. Much of this stability rests directly upon those contracts for future delivery, since they are the basis upon which our industries make their programs of production, buying their raw materials and their power, engaging their labor, building and equipping their plants, financing all their future operations, based upon the future delivery of the goods they make.

If the contracts upon which all these plans are laid are worthless, if goods sold and delivered are thrown back, we are turning fundamental business operations into a gamble.

At a point one step further along the line of distribution, when retailers and jobbers, during the down sweep of the business cycle, lightly toss off their inventory charges by returning goods to the manufacturers, they are doubling the costs of production and trebling the costs of distribution. They are not only piling up heavy fixed charges against the stocks in the hands of the makers of those same goods, but they are also forcing backwards the flow of goods to the ultimate consumer. Everyone knows who pays every bill for all economic mistakes and all economic wastes.

Throughout all business, cancellation is inducing careless buying. If goods sold and delivered do not stay sold, there is not much use in good selling or good buying. If goods

need not be kept and paid for, it is a foolish waste of time and money to buy wisely. Even if it be still true that "well bought is half sold," nevertheless there can be little incentive to buy well so long as unsold means returnable. Both the selling and the purchasing functions of business pay toll to cancellation in the lowering esteem of the purchasing agent and the growing criticism of salesmen.

But most fundamental and important of all the bad effects of cancellation is its tendency to increase the up and down swings of the business cycle. From the point of view of the professional economist, the question of these alternate periods of prosperity and depression is, "Why does consumption fail to keep pace with increased powers of production?" Or, conversely, "Why do the powers of production increase faster than the rate of consumption?"

From the point of view of the actual producer of goods, our manufacturers, business activities are adjusted, as carefully as they are able, to the demand for the goods they produce. While, plainly, it does not initiate a period of rising prices, nevertheless, the careless buying prompted by cancellation quickly becomes speculative buying when goods become scarce. It may be called protective buying; it may be honestly inspired by a natural desire to keep stocks balanced with a demand which is obviously increasing; but its inevitable result is a great overstimulation of production.

Willy-nilly such buying creates a fictitious demand, a demand that never existed for actual consumption, and if anyone doubts the effectiveness of such a mythical factor in practical business, he should consult the Steel Institute, which estimates that for every three

tons of unfilled steel orders on hand in July, 1920, one ton represented pyramided orders for which there existed no actual demand. This amounted to fictitious orders for some 3,735,000 tons, which at the average composite price of that date represented some two hundred million dollars.

During that same year the rubber industry of Akron cancelled orders for chemicals totalling over \$2,000,000 and dumped into the market, through brokers, chemicals worth another million. Based on normal consumption, practically half of these sums must have represented purchases beyond the actual manufacturing needs.

How much all the buying orgy of 1919-20 was tinged with speculation no man can know; but surely in the case of the basic industries many tons of materials at many millions of dollars were "sold" to supply a non-existent demand. Since all signs point to a period of many years' duration during which all price levels will gradually be lowered, these are serious considerations, for no group in the country, except speculators, profits by booms and panics.

Call for Moral Sense

THIS whole cancellation problem is a moral evil. Its prevention should begin in the Sunday School, its cure in the court.

But American business does not go to Sunday School. Like our Big Manufacturer, many an honest business man has been blinded to the injustice and dishonesty of cancellation.

Recently I sat in conference for two hours on this evil with an industrial executive whose own company had but that same day ordered their advertising contracts "suspended at once till further notice from us." Under just such

a double standard of business morality, a corporation's purchasing department will be demanding protection against decline while its salesmen are instructed to eliminate that same clause from their orders.

Business expediency and competitive necessity are hard drivers, and to live up to obligations which other firms disregard is often to inflict financial self-punishment; but, even under such stress, it is plain that what a firm gains by cancelling and returning is more than offset by the cancellations and returns of its own sales.

Because of this new double standard of buying and selling, recourse to the courts is a practical absurdity. Generally speaking, our industries are overproduced and our trades are overpopulated. The forced competition resulting makes it impossible to take any buyer into court and force him, according to the just and straightforward law of sales, to accept, pay for, and keep the goods which he has ordered. All of which, parenthetically, is a pretty example of a fact which we all often forget, that the laws of economics have a greater and more direct bearing upon practical business activities than do the laws of the land.

Very obviously, cancellation can only be stopped by stricter conditions of sale. Therefore, let the seller beware! This is made difficult because cancellation has spread widely throughout all branches of business, so that all kinds of industries and all classes of trades are involved in the sticky net.

On the other hand, it can be solved the more easily for that same reason. We are all at once buyers and sellers. Accordingly, we can slip the buyer's shoe onto our seller's foot. It is rather surprising to find how tightly it pinches our own toes.

Mr. Coolidge and American Business

PRESIDENT COOLIDGE is profoundly determined, so far as in him lies, to promote the common welfare of the people of the United States. He regards this as of paramount importance. To achieve it, he will not compromise with principle. He may make concessions to gain the greater general good he seeks; but those concessions, to win his acquiescence, must conform to the right as he sees it. Otherwise, they will be rejected.

In accordance with constitutional direction, he has made a comprehensive report to the Congress on the state of the Union. He incorporated in that report certain definite recommendations and specific declarations of his attitude. Those recommendations and declarations were the product of careful study and subsequent deliberation as to the consequences to the people as a whole. He will not depart one iota from any of them even though departure might cinch his nomination and election to the Presidency.

To those who know the President and have talked with him, as I have done for *THE NATION'S BUSINESS*, this description of his attitude, or more precisely, of his character, will not come as a surprise. He has been known always as "the man who stays put." When governor of Massachusetts, he never hesitated, even in the face of public outcry, to approve measures in the public interest

THIS IS the first of four articles setting forth the views of political leaders on the proposals for legislation made by Julius H. Barnes in *The Nation's Business* for December. Mr. O'Laughlin, formerly Washington correspondent of the *Chicago Tribune*, and later Assistant Secretary of State, writes with authority, and after talks with the men whose views he presents. Next month, Senator Underwood.

By JOHN CALLAN O'LAUGHLIN

submitted to him by the general court; nor did he ever hesitate to disapprove measures which he regarded as inimical to the public interest.

He did not pander to the striking policemen of Boston. He placed the orderly enforcement of the law above his own life when advised of threats of personal violence. To him, the achievement—the common good—is everything, the goer naught but the instrument through whom it has been effected.

The President realizes that the interests of the people are entangled; that there can be no separation, no discrimination, without injury to all. Industry cannot be advantaged to the detriment of labor, nor can labor be promoted to the hurt of industry. Manufactures and transportation must each be considered in relation to the other or both will suffer. In other words, the fabric of American life is so closely interwoven that every

thread is essential to the strength of the whole.

It is this view of the common interest that is responsible for the President's effort to secure a reduction in taxation. He has left the exposition of the method by which this can and ought to be done to the Secretary of the Treasury. He is in entire sympathy with the recommendations Mr. Mellon has made and the statements in support thereof which the latter has transmitted to Congress and to members of that body.

It is a matter of satisfaction to him that such unanimity of commendation has been given to the Mellon plan, and he cannot believe that partisan politics or selfish ambition will be allowed deliberately to muddy the waters in order to deprive the people of a necessity to their sound prosperity.

No one appreciates more keenly than does the President the burden under which the country is still staggering. He lauds in unstinting terms the courage shown by the people in meeting uncomplainingly the heaviest taxes known in our history. Now that the Treasury for two years, largely as a result of the unremitting and careful retrenchment observed, has shown a surplus of \$300,000,000 annually, he considers a real measure of relief can be given.

There are other and vital reasons for such action. The existence of govern-

ment is based upon its ability to raise revenue. To exceed this ability is to destroy the welfare of the people it was created to promote, and to lead to its own destruction. Taxes are paid from the surplus of production; if paid from any other source they make for confiscation and, besides the ruin of the taxpayer, they deprive the state of revenue. Surplus of production provides additional capital for the expansion of existing or the promotion of new enterprises. Reduction in taxes means larger surplus available for the use of the individual. It means, moreover, that the immense sums now imprisoned in tax-exempt securities will be freed to engage, to a very large extent, in gainful industry.

So, greater business activities, in the judgment of the President, wait upon the adoption of the Mellon plan. But there will be another result—and he regards it as equally important—which will flow from action. Reduction of taxation will mean reduction in the cost of living. No tax has ever been devised which has not been passed down to the common people. The old story of the commercial traveler and the overcoat that was hidden in his expense account is of point in this connection. So with taxes no matter where placed. The corporation or the manufacturer includes the tax in his charge to the jobber, the jobber includes the tax in his charge to the merchant, and the merchant includes the tax in the price he sells to the consumer; and must do so or fail and so throw many persons out of employment.

Thus, it is the poor who pay, and they always pay the most. It follows clearly that curtailment of the spending power of the people affects production and the wages of labor. Thus, a vicious circle exists, and now that war burdens are decreasing and economy of federal expenditure has produced a surplus of government revenue, the President proposes to break it.

The necessity of securing revenue for war conduct compelled the Government to adopt two economically unsound practices—high surtaxes and excess profit taxes. The latter were repealed in 1922, but an effort is being made to have them restored. The President is unalterably opposed to such action.

Experience showed that the excess profits tax, like all other taxes, was passed on to the people, that it gravely hampered industrial activity, and was responsible in large measure for the high cost of living. Moreover, no compelling reason exists for such a burdensome tax in time of peace. The plan proposed by Secretary Mellon obviates the necessity of its use. There is general recognition that the present system of high surtaxes is a failure. They are becoming less and less productive of revenue, and, more serious, they stop transactions which would

be beneficial and tend to prevent men from taking risks which are a part of new business development.

The President is confident that if the surtaxes are cut as urged by Secretary Mellon, capital will cease to shelter itself in tax-exempt securities and turn to railroads and industries. This would mean lower prices and freight rates and help the section of our people who, perhaps, most need help—the farmers.

So much for capital taxes and the effect of their proposed reduction. But the Mellon plan does not stop with this relief. It goes down to the smallest income taxpayer, and gives him directly a share in the general benefits derivable from its operation. The President has always felt that a distinction should be made between the income currently earned by labor and that gained from investment. The one may be ended by sickness or death, or loss of employment; the other continues and descends to a new generation. Therefore, the Mellon plan authorizes a reduction of 25 per cent on earned incomes.

The President is hopeful that the national policy of economy and tax reduction will appeal to the several states. It is of little importance if the Federal Government retrenches and cuts taxes and the states con-

tinue or resume their extravagance and increase taxes. Only through close cooperation in both these matters can full relief to the people be secured.

A step towards such cooperation would be taken by enactment of an amendment to the Constitution prohibiting the issuance of tax-exempt securities. Such an amendment would not, of course, affect outstanding state, county or municipal securities; but it would, even during the process of its adoption, cast the displeasure of government upon such future obligations and cause a halt in their indiscriminate marketing. The President is hopeful that this amendment will be promptly enacted by Congress and approved by the states.

If these several financial and economic proposals should be adopted by Congress, the President looks forward to a continuance of the industrial revival and even greater progress as the years pass towards complete recovery from the depressed conditions following the war. He is not building for this year alone. He is building for the future and he intends to build solidly.

It is because he wants no retardation in national development that he announced his flat opposition to the soldiers' bonus. He considers such a measure would be of doubtful



Where Coolidge Stands on National Business Legislation

value even to its beneficiaries. It would provoke inflation once more, with all the evils of higher costs of living, depreciation of the purchasing power of the dollar, and dangerous assault upon the general prosperity. It would make tax reduction impossible and compel the imposition of new taxes. This would force into play the exhausting policy of confiscation.

The President would not have the nation forego a tithe of the debt it is under to those who fought that it might live. He recognizes and will insist that the country recognize the greatness of the service they rendered. He regards the care of the sick and disabled veterans as a supreme duty which must be discharged at no matter what sacrifice.

But, in his judgment, it is political chicanery for the Government to give with one hand and take with the other. And that would be the immediate effect of a bonus with its concomitant of increased taxation, to say nothing of the future embarrassments and misery it would entail. To the President, service during the war is an imperishable honor to those who performed it. It marked the importance of the individual in the citizenship and fitted him, by virtue of his heroism, for greater civic responsibility. It is upon this spirit the President relies for the continuance of the nation on the road of sane and solid economic policy.

Because of the belief, so firmly imbedded in his mind as to be a leading characteristic, that there can be no permanent prosperity of any class or part, the President has considered with grave concern the situation of the farmers. A farmer himself, he felt personally the severity suffered by his fellow-workers in the economic reaction following the war. He knows that agriculture is primary, that commerce, important as it is, is merely its servant.

Commerce is peculiarly fitted to associations, such as the ancient guilds and the modern trade unions, and combinations, enabling large aggregations of capital, such as the present-day corporations. Agriculture has not readily lent itself to like policies. There are developing, however, cooperative farm movements and these it is the purpose of the President to encourage in every proper way. He believes the farmers should organize just as labor and commerce and industry have organized. He would like farm marketing machinery created, but he realizes that such machinery will be effective only if run by business men of brains and experience.

In the long run, the President holds the farmer must depend upon himself. The Government can aid by the grant of greater credit facilities, as it has aided; by conserving the home

market for home products and finding foreign markets, by lessening, through wise action, which takes into account the need of the carrier for profit, the burdens of transportation.

But there can be no price fixing, for price fixing is economically wrong; no government purchase of wheat, for such purchase would pile up in warehouses huge stores that would affect next season's crops and in the meantime increase the cost of living even to the producer; no drastic cut in railroad rates which would destroy the earning power of railroads. The President wants scientific diversification of crops, and production based upon market needs. Above all, he wants the farm a contented, prosperous home, for he sees in such contentment and prosperity a nation fit and virile for the great part it must play in world affairs.

Transportation is the handmaiden of commerce and industry. Without it there could be no civilization, no exchange of products and little interchange of ideas. The trail, the road, the railroad, the skiff, the sailboat, the steamer, all mark definite steps in human progress. Modern life is essentially dependent upon easy, quick and reliable transportation.

So aware, the President proposes to do everything that properly lies in the power of government to enable the railroads and the merchant marine to perform the service required of them. He pointed the way in his annual message to Congress, and he holds that only by following that way can additional benefits be derived.

He will not countenance tinkering with the Transportation Act as has been proposed, or reduction of freight rates to the point of confiscation by legislation. He be-

lieves there should be consolidation of certain roads into systems, because through consolidation there can be economies which will enable cheaper costs to the shippers. He is for an entire reorganization of the freight-rate structure, but such reorganization must not be undertaken for the purpose of reducing rates, but rather to equalize them, and through equalization distribute the cost burden more equitably, while assuring the continuance of railroad prosperity.

Foreign commerce is, of course, an integral part of our life. Before our entrance into the World War, our products of the farms and mills congested in warehouses and at ports for lack of shipping. As a result of the war, we built ships in such quantities as to arouse the admiration of the world. We have today the second largest merchant marine in the world.

The President has no illusions about government ownership and operation. He realizes the greater efficiency of private initiative; and he is anxious that the transfer of the fleet to its control shall be made as speedily as possible.

But, in the meantime—for ship sales are slow—the Government must do the best it can, interfering as little as possible with private lines and building up a good-will which will be valuable when private enterprise resumes sway. The President understands fully that the business of operation is a business requiring technical skill. Therefore, he has ordered all matters relating to operation and control of shipping placed solely within the Emergency Fleet Corporation, which has been provided with competent management; and he has limited the Shipping Board to the regulatory and investigating functions authorized by law.

The Government has now entered upon a reign of peace. It will, under the direction of the President, make every effort to reestablish normal conditions in Europe, without involvement in the intrigues and controversies which retard European recovery.

The President looks with favor upon the investigation by American experts of Germany's ability to pay the monetary costs of the war she precipitated. He is earnestly in favor of the World Court because he regards it as a step towards the restoration of that harmony essential in the relations of civilized states and because he believes it provides machinery for the settlement of disputes, which, if handled diplomatically, might lead to strained relations and possibly war.

It is a great humanitarian program the President has fathered—a program which he firmly believes is in accord with the spirit of America. And in this belief he is pressing determinedly for its adoption.

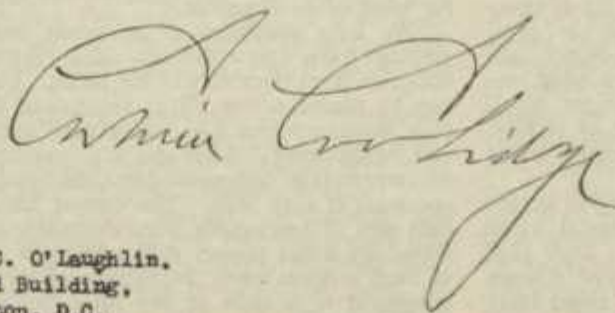
THE WHITE HOUSE
WASHINGTON

January 11, 1924.

My dear Mr. O'Laughlin:

I have every confidence in the determined purpose of the Congress to provide the people with the economic relief which present conditions require. Taxes must be reduced.

Very truly yours,



Mr. J. C. O'Laughlin,
Woodward Building,
Washington, D.C.

Henry Ford Talks White Coal

By JAMES MARTIN MILLER

An Authorized Interview

THE OTHER day I brought up the subject of water power and its possibilities, with Henry Ford. He said to me: "Would you like to be driven along the River Rouge and see what we have done in the development of water power along that little stream?"

As we started he promised, upon our return, to talk for publication upon the subject of water power and its possibilities. On a ditch near his father's farm, where we drove, Mr. Ford built his first little toy water wheel when he was twelve years old.

"The River Rouge," said Mr. Ford, "is not much more than a creek and really should not have been dignified with the name 'river.' However, it never runs dry. As a boy I went swimming in the deep places of this stream. All through my boyhood days, and until very recently, I saw the waters of River Rouge flowing idly, as the waters of thousands of large and small streams are doing in every state, as our potential water power is only slightly developed."

In the drive along River Rouge we traveled some twenty miles. Considering the curves of the stream it is considerably more than twenty miles to that part across which Mr. Ford in very recent years has built dams, the dam farthest up the stream being about 25 miles from Detroit.

Using the Hudson and Mississippi

LAST year Mr. Ford secured from the Federal Water Power Commission the rights to 8,000 horsepower of water in the Hudson River at Troy, New York, which he is now operating. He also secured 20,000 horsepower in the Mississippi River at St. Paul, Minnesota, for use in the large plant he is building there. He pays the Government 25 cents each year per horsepower, which is the rate charged all who secure licenses.

Mr. Ford is constantly looking for "other worlds to conquer" as to water power in this country. If there is one field of industry in which Mr. Ford is most interested, it is in the development of the great water-power resources of this country. He won't talk politics, but he will talk about his little auxiliary factories along the River Rouge that are run by the electricity produced by the waters of that small stream.

One of these dams develops 100 horsepower, another 60, another 40. The dam built near his home has harnessed the water for power with which to generate electric light for his residence, garage and stables, as well as for power purposes on the farm. During the busy season 200 to 300 men are employed on his farm. Those who have families have houses, scattered over the farm of several thousand acres; and their houses are lighted with electricity generated with water power.

At each of the three other dams is operated a small factory for making the small automobile parts for his main factories. In these small industrial communities busy employees are working at the minimum wage, with bonuses, based on the length of service. They have the advantage of cheaper living in a rural community.

Mr. Ford believes that one big job before the world is to develop the potential water power as much as possible and to draw people from the congested city districts to more wholesome rural communities. I asked him:

"Could it be possible to develop water power and generate electricity to such an

extent that cities could not only be lighted but heated by electricity?"

"There is sufficient potential water power in the country to light the cities and electrify to a considerable extent the railroads, but it is hardly possible to heat a big city like Detroit entirely with electricity. It no doubt would be possible to reduce the American coal bill one-third to one-half by using electricity generated by water power for lighting and power purposes," said he.

"The coal bills of the people of the United States amount to about \$2,500,000,000 a year. One of the great handicaps in the development of water power throughout the United States is the heretofore existing federal and state laws that for so long stood in the way of successfully damming up the thousands of small streams and many large rivers in the United States.

"However, the Federal Power Commission, which was created by act of Congress about four years ago, has in large measure removed this impediment that existed so long in the name of 'conservation.'"

"I avoided any conflict, in court or otherwise, by buying up land that the captured water would inundate. With a small stream this can be done, but it would hardly be possible in large rivers. Federal laws have been enacted in the interests of navigation and otherwise, and state laws in the interests of property owners along the water courses.

"Some of them are bad laws when they prevent public use of water power, but good laws when they prevent exploitation. Capital, anxious to develop these resources, should not be strangled. Not all capitalists are altogether selfish, and we should not condemn all of them on general principles just because they are capitalists. However, those who desire to hinder water-power development have had too much of a hand in the enactment of our conservation laws. It is impossible for the people to understand these questions, and very often they are led to believe that a law is a good law when, as a matter of fact, it turns out to be a pernicious one.

Many Streams Available

"WE HAVE in this country," Mr. Ford went on, "some of the largest rivers of the world and many good-sized streams that are navigable but not navigated. These same rivers have potential water power that is something enormous. Besides these larger streams the United States is blessed with thousands upon thousands of small streams like the River Rouge that are going to waste for want of development.

"We have thousands of mountain brooks rushing down the mountain sides. Besides these, we have the rivers of the plains. Dams can be placed across all of these, and they thus become mines for 'white coal' eternal and inexhaustible. After the first investment of constructing endurable dams, the cost of operation is very little. The cost of fuel, of light and of heat, made from electricity generated by water power, will reduce the cost of these services when the purpose of the development is to show at how little cost they can be produced.

"If, however, the object is to reduce pro-

duction costs while keeping selling prices at a high level, then the people will receive no benefit. In our Muscle Shoals offer we deliberately contracted to curtail the profit in order to reduce the cost of the products.

"The use of electricity as a fuel promises to become not only a great industry in itself, but the ally of all industry. We are only seeing its infancy. For years it will go on developing and increasing so that it will become at every step more wonderful. When water power is perfected and its full possibilities made use of, we shall wonder why we were so stupid in holding back the development of this great natural resource.

"We have freed the factory from the thrall of the old-fashioned mill wheel by interposing the electrical generator and the copper wire. In time we shall free it even from the tenuous wire which now links it to the river side and transmit the power to its looms and spindles through the air.

Big Applications to Come

"PROPHECY is a risky realm to enter, but I feel safe in predicting that within a decade these electrical currents can be transmitted a thousand miles or more, if necessary. It may be that the force bursting a hundred feet, a thousand feet, and more, over the great precipices surrounding Yosemite, Yellowstone, Grand Canyon of the Colorado, and of other great scenic works of nature, will be lighting and transporting people at great distances. But long-distance transmission will not long be necessary. Development will begin all over the country. All sections of the United States have possible water power within a few hundred miles of each of them.

"The possible water power that exists in every state and territory will in time generate electricity that will stride over hills and valleys, across great stretches of land and through villages. The mills, factories, water pumping stations, city lighting plants, and even the farms and the residences, will to a very great extent abandon some of the uses to which black coal is now put. Coal will have its uses, but under different methods than are now in vogue.

"Electricity generated by water power will come to the farm. The little stream, not much more than a creek, which has for centuries flowed unhindered through our farms, its force unused, will soon be a helper in doing the chores, or refining the life of the farm home. Every community where there is flowing water has potential water power going to waste. Some day you will see little one-horse power machines working in the creeks, although these will only be necessary on those farms far removed from the great power transmission lines.

"The wide use of water power will return the day's work nearer the normal requirement of life. Men will not then find it necessary to live continuously in the unrelieved atmosphere of industry. City tenements will no longer bound their lives. A change of work will always be possible in the outdoor months. There will be more wholesome conditions of family life. We shall approach in a degree not thought possible before the sane and satisfactory living conditions of the more contented previous generations. In brief, water power touches every problem we have and will be a great element in the solution of them all."

Sober Sense About Super-Power

By JAMES
H. COLLINS

SOME mighty big promises have been made lately in connection with the Super-Power plan for tying electric utility systems together all over the country.

The millions to be saved yearly have been bandied about with all the recklessness people have for statistical money. Super-Power is going to do away with the use of coal, do all the farmer's work for a dollar a month, immediately electrify the railroads, make electricity so cheap and plentiful that it will not be worth metering, and so forth. But no such promises have been made by electric utility men. The facts about Super-Power are big enough for them.

About thirty years ago a new electrical school was opened at Columbia University. Professor Michael Pupin was one of the instructors, and delivered a series of lectures on electricity to a group of hard-headed business men.

"No electrical generator really generates electricity," he said.

"Then what does it generate?" asked one of his auditors.

"It generates motion of electricity, and by that motion furnishes us with the means of doing useful work."

Ever since the first indolent electric current was persuaded to take off its coat and do a little work, engineers have been speeding it up, making it do more work, and go farther to find a job.

The first electricity made for sale was direct current, flowing along wires in one direction, like water. Its distribution was limited to a few miles. About 1890 alternating current

began to work a revolution. It can be sent at high voltages over small wires to distances that have been constantly increasing, and arrives so full of energy that it has to be "stepped down" to the pressure wanted for lighting or power.

East and West Distinctions

TODAY a voltage of two hundred and twenty thousand is being used in California to transmit electricity more than two hundred miles, from the Pitt River to San Francisco.

In the West and South, where waterpower electricity must be carried from sparsely populated sections, splendid highways have been built for it in great transmission lines.

In the East, however, development has been different. At first each community was served by a local generating plant, using coal; and as the demand for electricity grew, its wires and cables were sent out to greater distances in every direction. These spider-

like systems have grown enormously in thirty years, and now electrical engineers are beginning to tie them together.

In an eastern zone extending from Boston to Washington and westward from the Atlantic coast one hundred and fifty miles, live one-fourth of the people of the United States, with 315 electric utility companies, 550 power stations, 96,000 industrial establishments and 36,000 miles of railroad. The industries of this region purchased more than 3,000,000,000 kilowatt-hours of electricity in 1919 and would have practiced economy by purchasing an additional 5,000,000,000 kilowatt-hours. The electric utility companies are now equipped to make 15,000,000,000 kilowatt-hours if operated on a 40 per cent load factor, and by 1930 twice that amount of electric energy will be needed.

Here is the territory where super-power is at once most backward and, because most needed, full of the greatest possibilities.

Engineers have made it technically possible to reduce the cost of electricity and greatly broaden its use. This can be done through higher voltages, longer transmission, more efficient generators for both steam and waterpower electricity, the tapping of cheaper sources of water power, the better placing of large steam units near coal supply, and the exchange of electricity freely over a great linked-up system so that it will not be necessary to build the costly apparatus needed.

The electric light company in every big

Steinmetz' man-made lightning.
A nine-foot spark, 1,000,000 volts

city keeps a lookout man on the roof. He is there to watch for thunderclouds; and when he sends word downstairs, additional boilers and generators are thrown into operation to make the extra electricity that will be needed when everybody lights up his office or home. This extra demand may amount to only two or three hours a week. With interlinked systems a reserve of current for such emergency could be drawn from a city where the sun was shining.

During the drought last summer that deprived Raleigh, N. C., of electricity, current was brought in from Alabama.

Mr. Hoover says it will be possible to save about fifty million tons of coal yearly in this eastern territory and \$500,000,000 provided \$1,250,000,000 is invested in tying isolated central stations together, placing some to better advantage, and building new and larger ones.

The engineers are ready to go ahead, but there are political obstacles to be removed by team work. People object to letting other people in adjoining states have electricity generated with their water power. This opposition has gone so far in Maine that the export of electricity from that state is prohibited by law. Certain states that need Super-Power the most lack laws under which rights of way can be condemned for long-distance transmission lines. A far-western state wants to put a heavy export tax on electricity leaving its boundaries. In another state a bill was recently presented in the legislature prohibiting any development of water power for six years, until a commission could investigate.

Team work will come as fast as people get the interstate picture of Super-Power. They see that competition isn't the life of public utility service, but simply duplication of power plants and transmission lines. The farmer is waking up to the fact that only through the expansion of large utility systems into the country will he get the real benefits of electricity.

Why not build big plants to generate electricity at the coal mines, and transport electricity instead of coal by the million tons? That is possible only where you can get plenty of water along with the coal. Water in mining regions is frequently permeated with chemicals that make it unfit for steam purposes. More often there isn't enough water. Depending on the temperature of the water, modern steam-power stations have to pump from 600 to 1,000 tons of water for every ton of coal burned.

The Boston Edison Company uses more condensing water than the domestic supply of that city. Where you find plenty of coal there is usually no water, or a supply that is



Can power unused be brought to where it is most needed, or shall industry march west to meet power? In this map the light dots show available water power in nine districts of the United States. Below, the dark dots show primary power in use. The West has great stores of power and little in use. In the East conditions are reversed.

plentiful at one season and low at others. From every angle, tying steam and water together is the best thing.

Frank G. Baum says that Super-Power is just banking your electricity. When you put all a community's money into a bank, there is a larger supply of money than was needed when each individual carried his own roll, because each fellow carried a surplus. When each community makes its own electricity, it needs a surplus. When the different communities link up for the exchange of current, there is a surplus that can be switched around wherever needed.

Factors Controlling Rates

WHAT is Super-Power really going to do to the price of electricity?

What is it really going to do for the farmer? How long will it be before electricity replaces the steam locomotive on the railroads?

The price of electricity is something that takes a little explaining. It isn't so much the cost of "juice" that you pay for in your electric light bill as it is the cost of getting it to you and of having it ready when wanted.

It is a popular belief that water-power electricity is cheaper than that generated by steam power. It costs considerably more per horsepower to build a hydro-electric plant than a steam plant. This high cost is represented by great dams, and where the water powers are remote, the right of way for transmission lines, a strip of land often several hundred miles long, purchased by the power company and constantly patrolled.

But the two balance each other fairly well when it comes to operating expense, for while the steam plant costs less to build, it requires enormous supplies of coal and great manpower, whereas the hydro-electric plant is almost self-operative.

If electricity could be generated for nothing, it would still cost the consumer nearly the same, because the expense of distribution is six to ten times the cost of making "juice."

Wherever Super-Power has had a chance to operate, it works to the advantage of the little town and the little fellow. In California, where the whole state is tied together from

to give him service. He lived eight miles from its transmission lines. He had offered to build his own connecting line and give it to the electric utility company if the latter would supply him with electricity. The company refused, because that farmer would probably use only a couple of dollars worth of current monthly. In a few years the line would be worn out; and the company, having assumed ownership, would have to replace it.

Out of nearly six million farms in the United States only four hundred thousand have central-station electricity. There are only two or three farm customers to the mile of electric line in the country, against fifty to two hundred in the city. The farmer wants electricity, but chiefly for lighting his house and running a few light appliances. If he uses it on the small scale of the average city home, it must cost him much more. But if he will use it to do all farm work that can be handed over to machinery, then he can have it at a reasonable price.

"But how can I use that much electricity profitably?" the farmer has asked. "Tell me what kind of work I ought to put it at."

"We don't know," the engineers answered, "but we're going to find out for you."

Whereupon the National Electric Light Association, the American Farm Bureau Federation, the United States Department of Agriculture and the American Society of Agricultural Engineers, after a conference, formed a national committee on the Relation of Electricity to Agriculture. This national committee will set up several electrified country communities in different parts of the country and find out by experiment how the farmer ought to use electricity. The first experiment station is now being organized in Minnesota.

It is quite likely that the farmer and electrical engineer, working out this problem, will seek an industrial solution. Our first manufacturing industries grew up in New England, where every farmer who lived on a creek had some sort of mill run with a water wheel and made "Yankee notions." Farming in summer and manufacturing in winter, many of these

end to end, the town of a thousand people gets current at exactly the same rate paid by the city of half a million; and the farmer out in the country gets the same rate, too. This often makes it possible for the little town to develop industries. And development of new industries in country neighborhoods is one of the most important angles to Super-Power.

If the farmer wants electricity, say engineers, he must begin thinking about it in a big way.

In a western state a farmer asked that an electrical company be ordered

Yankees became inventors and manufacturers, leaving the farms and going down into the cities. Super-Power will, in effect, put every farmer on the creek and give him a water wheel. He usually has time in the winter when he could work at a factory job. What can he make? Rat traps and wooden nutmegs in a show of his own? Or something larger in a neighborhood factory? The electrical engineer and the farmer must find out.

As electricity will make a new type of farming, so it makes necessary a new kind of railroading.

It is estimated that forty per cent of the railroad mileage in the eastern zone, where Super-Power is most needed, can be electrified. But probably not a single mile of it will be electrified until it becomes absolutely necessary. That means when steam can no longer handle the passengers and freight over existing tracks, and it will be cheaper to electrify than to build more track and widen tunnels, bridges and gradings. Practically all of our railroad electrification thus far has been done in just such emergencies.

Ten years ago the Norfolk & Western Railroad's coal traffic could no longer flow fast enough through the narrow neck of a bottle. The bottle was double-track railroad on each side of a tunnel, which was the narrow neck, having only a single track. One of two things had to be done—the tunnel could be widened and double-tracked, or it could be electrified. The latter method, being cheaper, was adopted; and the road is still handling all its traffic through the single-track tunnel with room for growth.

Values in Railroad Use

HOW IS it done? Simply by hauling longer and heavier trains and hauling them faster and more steadily. In the days of steam, trains would pile up on each end of the tunnel, waiting to get through. With electricity there has never been any delay. On some grades approaching the tunnel three heavy engines could seldom make more than seven miles an hour with full trains. Two electric locomotives make fourteen miles an hour. A dozen electric locomotives replaced thirty-four of the best steam super-locomotives. Steam engines have to be turned around at the end of a trip, but electric locomotives do not. In one year nine electric locomotives on this railroad have handled a fifth more freight than forty-three steam engines had done, and the cost of operating was lower. Finally, there is the question of private versus public ownership.

The politician and demagogue are fascinated by the electrical utility business. It is a going concern, paying dividends to its two million stockholders and constantly growing. A tempting field for exploitation and the picking of political plums. There are strong movements in more than one state for public ownership. The electrical-utility industry is steadily fighting with the back-fire of customer ownership, believing that when the people in a community own a substantial interest in the utility company that serves them, they will understand and protect it from politics.

Many arguments pro and con have been



The largest power dam in the world, impounding Mississippi River waters at Keokuk, Iowa. At right, a 220,000 volt G. E. Co. transformer.

advanced on both sides of this question. Here is one that I have never before seen put forward; judge for yourself whether it is a good one.

"What is it you fear in public ownership?" I asked the president of an electric equipment corporation, qualified to speak for the industry. "It can't be the loss of your own job, because you could probably get one just as good somewhere else. It can't be your employees' jobs, because public ownership is always notoriously overmanned. You can't be afraid of confiscation, because your property would be paid for."

"We are afraid of something else that vitally concerns the public," he replied. "To put it in a single word—growth! Loss of growth in the marketing of power, which means loss of growth in the marketing of electrical apparatus. That's the platform we're fighting on, and our fears are based on hard experience."

"Why do you cling to a strap and submit to crowding that is indecent in the New York subways during the rush hours? Because the building of New York's subways is a municipal duty, and the city has never provided in advance for growth, as corporations provide for growth in current or telephone service."

"It is often suggested that great private power companies generate the current and sell it to municipalities, letting them distribute to the public. The industry has done this, and invariably the same thing happens—the municipality exerts no sales effort to find new customers or create new uses for electricity, and the wholesale business in current and the demand for apparatus do not grow."

"Over ninety-six per cent of our electrical output is generated by private companies, and less than four per cent in public ownership plants. But the latter use twelve per cent of all the coal burned by electrical utility companies, and twelve per cent of the labor."

"Municipal ownership of electrical utilities



is largely past history. Electricity has simply grown beyond the cities' boundaries through the inter-connection of systems that require large generating plants and the transmission of current long distances of high voltage. The municipality can only serve its own community.

In reporting to the United States Government upon the northeastern zone, which includes the New England states and seaboard states down to Virginia, W. S. Murray, a noted electrical engineer said, in substance:

"To touch with politics this opportunity of national conservation, which immediately becomes possible in the application of super-power principles, is to deliver a deadly blow to the people. It was in this thought that I was greatly encouraged when, granting the appropriation to make the survey, the chairman of the Appropriation Committee of Congress said: 'We give you this money to make the power survey in order that the people may be shown what the economic procedure should be, but in granting it let it appear on the records that we do not promise or recommend that one dollar of the Government's money be invested in the construction or operation of the plan you have proposed.'"

"It was plain to see that that committee of sane men, viewing two wrecks on the shore of American history—namely, the railroads under government control, and our shipping interests—did not wish to be associated or accredited with recommendations that might lead to a third."

We Call On a Good Customer of Yours

By MERLE THORPE



Everywhere in Cuba one finds the influence of the United States. This broad drive-way to the sea, through the heart of Havana, a city the size of Minneapolis or Washington, was begun under Gen. Wood's administration. Across the harbor—one of the finest in the world—is old Morro Castle.

WHEN one hears that a good customer is in trouble, he is naturally disturbed. When in addition he gets alarming reports on his customer's financial standing, especially if that customer has a large credit account, he becomes excited. Furthermore, if that customer, who is also a good personal friend and has been twice substantially assisted, is in a bad way again, he is genuinely concerned.

Cuba is our good customer, in 1920 the fourth best. Cuba buys from us foodstuffs, clothing, implements, building material, cars and locomotives, lumber to the extent of a quarter of a billion a year.

Ten million tons of these goods were transported on American vessels in 1919.

Americans have nearly \$700,000,000 invested in Cuba's plantations, railroads and other public utilities, and industries. A tidy sum.

Cuba is a sister republic, brought forth in the great travail of the Spanish-American War, and for that we have a more than friendly feeling toward her. Reports have reached the business world lately that Cuba, its customer, its debtor, its good friend, is in trouble. Rumors of business pledges broken, of graft and incompetency in government, of bankruptcy, of insurrection and revolution, were prevalent. And some talk of a Third Intervention!

So a natural concern led the writer to Cuba itself for the facts. Having been an editor of the *Havana Post* some fifteen years ago, that experience gave me a facility in getting to strategical sources of information, also a background upon which to measure development—or retrogression. Although I



President Zayas of Cuba

THE EDITOR of the *Nation's Business* tells me that his readers have a two-fold interest in my country. He says that you have nearly \$700,000,000 of your money invested in Cuba's plantations, factories, buildings, railroads and other public utilities, but deeper than this, that you have an interest in seeing the child which the great United States helped in its fight for freedom grow strong and prosper in its own right.

I respect those sentiments; both are natural and worthy. Your editor further says that there have been reports from Cuba of graft and inefficiency, of insurrection and revolution, of instability and unrest. No one deplores such reports more than I, realizing as I do that just as a business house suffers from baseless rumors, so does a nation.

So I have talked frankly, and I trust modestly, of what we have done, of what we are doing and of what we plan to do, ever-mindful of the fact that any success that may come to Cuba will be a source of great satisfaction to the Government and people of the United States.

as the Corona Coronas he makes; with Senor Aspuru, owner of the Toledo sugar mill, who is justly as proud of its smoothly running organization as the loyalty of its workers. And with others.

President Zayas, a lawyer in private life, is a business executive in government administration. Let it stand at that for the moment. He took office three years ago in the depth of the depression. He had in the national treasury \$400,000 in "nickels and pennies," he told me, and two months' pay due the government's employees. Today there is over \$20,000,000 in the treasury. Before his taking office Congress had authorized the spending of \$136,000,000 for the fiscal year. "I'll not do it," said President Zayas, though more diplomatically. Threats of impeachment, dire prophecies of revolution, did not daunt him. "I emulated the rock," he said, and cut 3,200 employees from the pay roll. Then he abolished the war-time bonus. Next he reduced from 10 to 30 per cent every government salary above \$1,000. With other drastic economies he did the year's job

for \$58,000,000 instead of \$136,000,000. Today it is \$62,000,000. Imagine the excitement in this fair land of the brave and the free if our President, three years ago, had cut expenses from four billion to two billion! Some pressure would have been exerted, and as we used to say out in Kansas, some states would have been heard from. So was there pressure in Cuba. But Zayas prevailed.

"And we have today \$20,000,000 in the Treasury," he said. At that point an attendant entered, bowed, and said something in Spanish. The President fished around in his left vest pocket and brought up a handful of keys. Selecting a good-sized copper

had but two days to spend on the island, I had opportunity to talk with that grand old man of Cuba, General Crowder, whose high ideals for the people he loves, if not always reached by their leaders, have nevertheless been a constant inspiration. I talked with President Zayas, with Secretary of State Céspedes, with Secretary of Agriculture Betancourt, with Rafael M. Ybor, Instructor of Department of State, who has as remarkable an understanding of the United States as of Cuba. I talked with representatives of American investments, with Aurelio Portuondo, sugar grower and manufacturer, with Senor de la Puente, who is as finely flavored a gentleman

one, he gave it to the messenger. I wondered vaguely if that was the key to the treasury, or if the incident was only allegorical.

"Twenty millions," he continued, "and why should Cuba be considered unstable? Our currency is at par and you can't say as much for many other countries of the world. And what other country besides Cuba has paid back its war loan to the United States?" he added. "In fact, Cuba was the first to pay in full."

"But the reports in the Cuban newspapers—" I began.

"I know," he interrupted. "But you must not believe all you see in the papers. A great part of it needs careful investigation and confirmation."

"I see by your papers," he went on, with a quizzical smile, "that there are bandits and outlawry in the heart of New York, battles in the open sea, rum-running murders, scandal in high places, the Ku Klux Klan controlling certain states, bribery of high officials, yet"—and the twinkle deepened in his eye—"I am not moved to offer the United States, in its critical condition, the Cuban army and navy!"

He scored a good one there, I thought, and I'm afraid I told him so.

He dropped his facetious tone to say that one must read the newspapers intelligently, that crimes, war and rumors of war on the first page must be tempered by the classified advertising columns!

I asked him about his program.

"Now that we have got out of the woods economically," he said, "I shall propose the repeal of the 4 per cent profits tax; it brings us in about \$1,000,000 and is a restraint upon business activity. Our sales tax, at first unpopular because of its nuisance features, is working out very well. It brought in about \$10,000,000 last year."

"Public improvements, roads, repair of highways, buildings, which we have had to hold up on account of the depression, must now go ahead. I want to see Santiago supplied with water. That important city today has water only on Mondays, Wednesdays and Fridays. To get an adequate supply, water must be pumped over the mountains. The engineering plans are already drawn. It will cost about \$5,000,000."

"Then I shall recommend the development of our school system. We must add what correspond to your high schools."

Cuba needs free instruction at this point, particularly along vocational lines. Our youth must be taught trades. I feel deeply what schools mean to us. In my drastic retrenchment I did not touch them. In fact, I think the purse was loosened a bit for the schools."

It was at this point that I put the important question, the question which I had been told would not be answered. A part

of the floating debt, the claims of which amount to about \$45,000,000 for supplies and materials contracted for and delivered to various departments of the government during several administrations, including public works, have not been met in their entirety, leaving about \$14,000,000 pending. So I asked, "With this ambitious program of tax reduction and public improvement do you

didn't. Later I brought up the subject again. He replied carefully, as one going over ploughed ground, that he saw no advantage to Cuba, now that the hard times were over, in having twenty millions locked up and earning nothing; and that looking at it from a business standpoint, no better investment could be made than to apply such a surplus at once to the curtailment of this floating debt.

President Zayas is rather undersized, with a flashing eye, a quick mobility of feature and ready repartee, shrewd, oratorical—all the qualities of a successful politician. He spoke fairly good English, so much better than my poor Spanish, that we carried on in English. His conversation was punctuated with literary allusions from Spanish and English writers—and most of all from our own Mark Twain, Elbert Hubbard and Abraham Lincoln. He told me he had fifteen volumes of "Little Journeys," and I found myself wondering if the same book agent who sold me a set had extended his successful operations into Cuba.

"Lincoln," he said, "was my father's idol. He had his picture hanging on the wall of our home, and it was one of the first things I can remember as a boy."

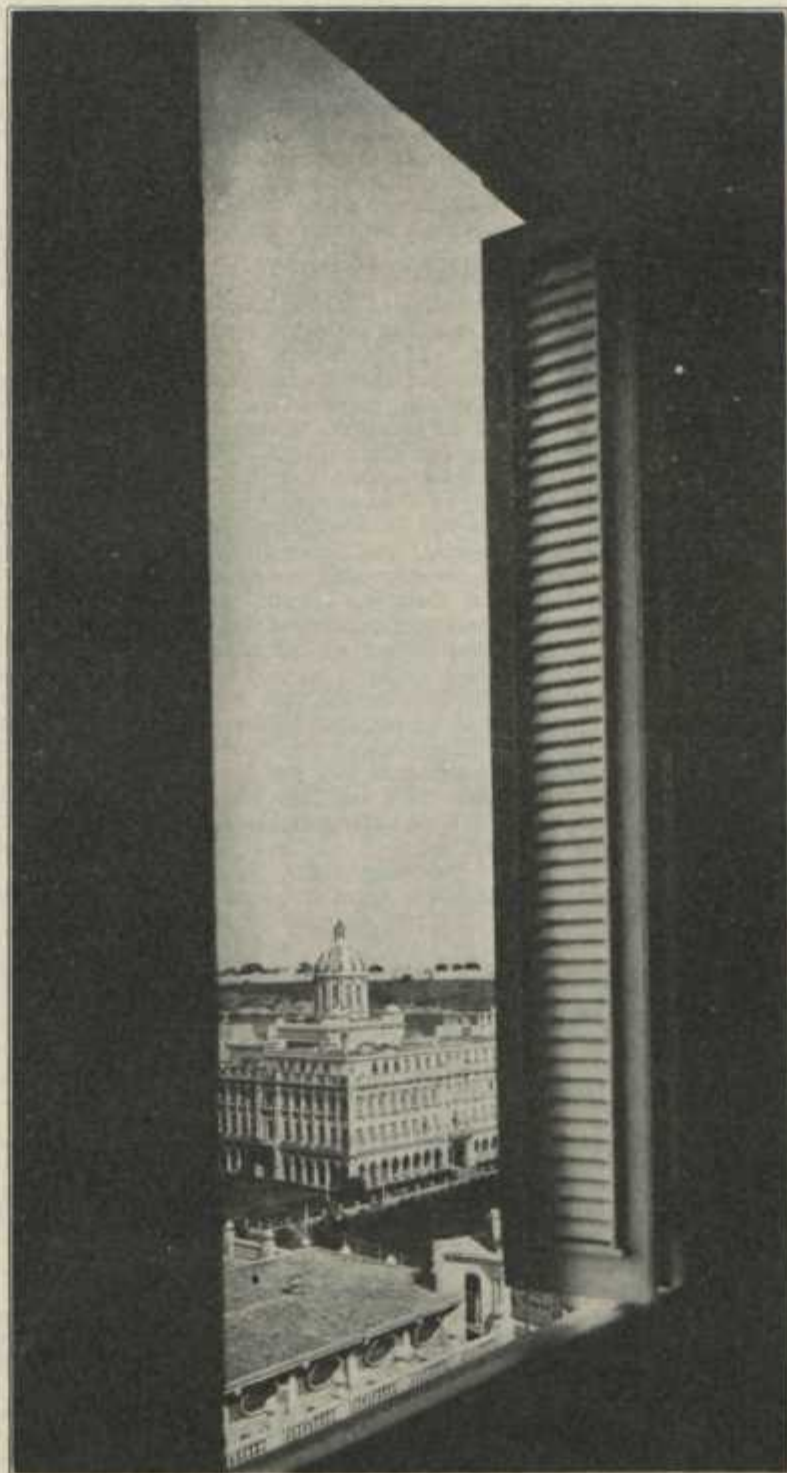
President Zayas' father was an eminent educator, and the president himself delivered an address in the United States in 1910 on "Lincoln's Influence in Cuba." His enemies—and he has them, for what politician has not?—had told me that Dr. Zayas would lug in Abraham Lincoln and send me away believing he was a "Second Great Emancipator." Such is politics in both eastern and western hemispheres. Zayas has his full quota of critics. They say he is a grafter, that his relatives graft, and that recently in his monthly palace expense account there was an item of \$12,000 for eggs!

There was no way of checking these charges, nor was there need to for the purpose of this article. As one important Cuban business man said, "I have no use for Zayas personally. His ethics are not my ethics, but I must stand up and say that he has given us a highly efficient business administration."

As to the general situation, my observation of Cuba leads me to believe that in fifteen years there has been a great change in the attitude of public officials toward their trusts.

Petty grafting, all too prevalent in those early days of the republic, has largely disappeared.

Business conditions in Cuba today are good. Sugar a full crop and a good price. The sugar industry is Cuba's life blood. Sugar planters and manufacturers were badly scorched during reconstruction days. Many Cubans feel keenly that the United States might have taken a different course when the



This is Cuba's White House, taken from the roof garden of the new 18-story Sevilla-Biltmore Hotel

think you can pay up the floating debt?"

He was too wary to be caught. He answered with another question. "You have the three-year budget before you and its performance. Don't you think that with even the added expenditure of ten to twelve million there will be enough left to take care of such obligations?"

I might have said, "Yes, don't you?" but I

emergency tariff act was passed in 1921. President Harding signed the act May 27, 1921, and overnight Cuba had a loss of \$32,000,000. "We produced to the hilt because of your urging," said a planter. "The allies needed sugar, and it is fair to say Cuba prevented a veritable famine. Your tariff brought about great misfortune, for sugar is our principal crop as cotton is your South's principal crop. Banks failed, depositors suffered, industry languished."

Another of war's economic casualties.

The Cuban point of view simply is this:

1. Cuba supplies the United States with 50 per cent of its sugar.

2. Cuba in turn buys a half-billion dollars worth of goods from the United States (1920 figures). This is more than the purchases of all the Spanish-speaking countries of South America combined, and nearly as much as France buys from us.

3. If Cuba should retaliate with a tariff war, we should lose much of this trade to competitors.

4. But this is not the whole story. Sixty per cent of the Cuban sugar plantations belong to Americans, and naturally their profits come back to the United States in dividends and interest on bonds, and in federal taxes.

The other 40 per cent of the plantations are largely mortgaged and owe big sums of money to American banks, export houses and manufacturers.

Most of the Cuban railroads are owned or backed by Americans.

And there is a large "invisible" trade in fire and life insurance.

That in a nutshell is the story every thoughtful Cuban will tell you. I set it down as a reporter. This is not time or occasion to become involved in a sugar tariff argument.

Cuban tobacco and Havana cigars furnish a similar plea for reciprocity. The United States, say the Cuban tobacco growers, in making her eight billion cigars, uses 138,000,000 pounds of American-grown tobacco, and 22,000,000 pounds of Cuban filler as a blend. With Cuban tobacco at 91 cents a

pound and Yankee tobacco at 20 cents, where, it is asked, is there a competition that needs a high tariff wall?

It surprised me to learn that we smoke only 45,000,000 Havana cigars yearly, while smoking eight billions of our own. And the prices we pay the cigar store man for these clear Havanas are:

4,500,000 at 30 cents apiece.

36,000,000 at 35 cents.

4,500,000 at 40, 50 and 60 cents.

Another interesting and homely fact: Cuba sends us 34,000,000 pineapples yearly. Cuba buys 1,000,000 crates from us and pays us 46 cents apiece for them, or approximately a half-million dollars, also paper to wrap these same pineapples, \$115,000 worth, and last—don't miss this—\$30,000 worth of nails to use in making the crates. Thus the men who dig the ore out of Minnesota's iron range profit because their neighbors eat Cuba's pineapples!

Elastic Wage System

BUT I AM getting far afield. Cuba's tobacco, fruit crop, and her sugar, are in excellent condition. The comeback from the universal depression of 1921 has been remarkable. Other countries, supposed to be far more intelligent in economic statesmanship, have hardly equalled Cuba in this respect. I was told that one reason for the comeback is the ability of Cuba to deflate its labor.

I inquired into this. "When sugar dropped to 1.8 cents a pound," said Senor Portuando, "I frankly told our men that we could pay them nothing for their year's work, that we would do our best to furnish food for them and their families, using all our resources to that end. They believed us, and worked for nothing. For two months they lived on cane syrup and sweet potatoes. Thus we all pulled through. The next year we paid them 80 cents a day; this year they get \$3 a day. We play fair with them and they have confidence in us. We all suffer together; we all prosper together."

So it was in the sugar mills. Workmen dropped from high war wages to a bare living,

and that alone enabled mills to keep going.

What was more important even than that year's production with its shelter and scant food to workmen, and losses to operators, was the fact that the plantations were thus kept in condition for operation the next year when prices were better. A large part of the expense of sugar planting is in cleaning up fields of weeds and roughage; one plantation alone spent nearly \$250,000 on this item last year. It should be said that this was abnormally high, as the owners had only \$70,000 to spend the year before, just enough to "get by" for one season. (Incidentally, that \$70,000 year is another grief of the Cubans. They say the tariff is based on that year's expense, and it is not a normal year.)

Then there is the tourist crop. It is growing bigger each year. And the increase, if my observation is any good, is not due to thirst. That is a vaudeville joke. With Havana only fifty-one hours from Broadway, the tourist business will continue to grow.

"We desire the esteem and good-will of the United States," said President Zayas, "and shall always try to merit your friendship. We feel very close to you, geographically, economically, and sentimentally. We want to—what is it you say in English?—to play ball with you. Your ideals are our ideals; but we must not forget that in addition to our being different from you, racially and temperamentally, it is scarcely twenty-five years since we have had freedom to work out our own salvation. You have had 150 years, and, indeed, 100 years before that. So be charitable and patient."

"Tell your business men that as long as I am president, Cuba will have a business administration. We know the value of stability; it means much both at home and abroad. And as for economy —"

I had risen to go. The servant of the palace came in to return the old copper key. The president slipped it into his left vest pocket, as he finished the sentence—

"I shall see that the budget stays balanced."

Getting It Settled Out of Court

A Billion Dollars in Claims and No Lawsuits

By HERBERT COREY

NO DOUBT you remember the definition of news credited to Dana of the *Sun*. News, he said, was something contrary to probability. It was the essence of the unexpected:

"If a dog bites a man," he said, "that isn't news. But if a man bites a dog, it is."

Therefore the big news in this story is something that did not happen. It is the unexpected that did not take place when it was expected to. With the presidents of five hundred and thirty-two railroads at odds with the Government over something more than a billion dollars, not one went to law. Only one suit was prepared, and that did not get into court. If the settlements were not always satisfactory, at least the parties to them were able to shake hands when they said goodbye. And, mind you, the settlements of those railroad presidents were largely dyed with something beside money.

Almost every one of them—perhaps every one of them—thought he and his road had been wronged. Something happened to the railroad business during the twenty-six months of government management. In the year preceding the war the roads netted a total of

almost a billion dollars, and in the year after the Government let go they did not pay expenses. The lucky ones made less money than they used, and the others had to borrow at the banks. The emotional reactions of the presidents varied. Some felt moved toward mayhem, and others wanted to stand on a public corner and cry.

Where the Trouble Began

YET THEY settled with the Government without getting into court. This was not only the most enormous opportunity for a law suit that was ever developed, but the most complicated one. Our adventure into sea-shipping cost a pretty penny, but it was a fleabite to our flutter in railroading so far as convolutions and intricacies go.

The Government took over, big and little, five hundred and thirty-two properties, lock, stock and barrel, which are valued at almost twenty billion dollars by the I. C. C. It ran those roads to suit its war-time needs and with mighty little consideration for the needs

of anyone else. For that privilege Uncle Sam ultimately took \$1,696,000,000 out of his vest pocket—almost one-half what France owes us.

Both sides kept books—and such books. There were 100,000 items in one set alone. The Government seized \$362,000,000, which was every penny in the cash drawers and bank accounts of the roads, and paid it back as it pleased and when it pleased. The poorer the road the more money it got, for the rich roads were presumed to be able to live on their fat. The Government forgot they had no fat just then. A Russian was more welcome at the doors of the U. S. Treasury than a railroader. Two months after the Government took the roads it began to inventory the property.

It found that material and supplies to the book value of half a billion and more dollars were scattered along the more than a third of a million miles of road. Some things were in warehouses and some in the grass. The Government had agreed to maintain the properties in substantially the same condition as when taken over, and to do so spent money on structures and the right of way. The roads said the Government was not getting its

money's worth in labor; and, as they would be charged with these items in the end, that hurt.

"You make us pay for too many men on a job," they said. "And the men do not do enough work."

To keep up with the war business the Government bought more than 4,000 locomotives and 112,000 freight cars. The roads said they cost too much; and, as the bills would ultimately be presented to them, that also hurt.

"Squeeze the water out of these prices," they begged.

Yet they settled with the Government without going to law. That is the modern way of doing things. Litigation doesn't pay. Not many business men ever found a dividend in a courthouse. It may be that not one of them felt that the Government had done generous justice to his claims. But when each had wrangled with Director-General James C. Davis and his staff of the U. S. Railroad Administration each was satisfied

"So do we," said the Americans. "Let's sign."

Another slant at the modern business man's confidence in the other fellow's fair play is given by William Mott Stuart, the Director of the Census. A German census official called one day and Mr. Stuart showed the results of the recent census of manufacturers. The German could not understand. He said that Germany also demands certain information from her manufacturers; but before she gets it, the manufacturers submit to the third, fourth and fifth degrees.

"They resist to the last moment," he said. "We have to threaten them with all sorts of things. How do you get your men to tell?"

"We ask for what we want to know," said Mr.

performed if the Government spent on the task of maintenance as much as the roads had during a test period of equal length, due allowance being made for any difference in costs.

The Government added almost 112,000 freight cars and spent each year on each car almost one hundred dollars more on upkeep than the roads had been accustomed to spend. It added more than 4,000 locomotives and spent twice as much on upkeep; and the maintenance of way and structures cost two dollars where the roads had spent one. The roads argued that much of this was



Both sides produced books and vouchers

that the representatives of the Government wished to be fair. They might quarrel with the law, but under the law they were getting a square deal. Therefore they kept away from the courts. They missed a chance to keep a law suit running around the house for the next twenty years.

That's the way the big men do business nowadays. Look a few months backward at the manner in which our claim for money loaned was met by Great Britain. The British statesmen came over here to do the best they could for their country. They advanced every argument they could, put in every counter-claim, gouged into every weakness, made every plea.

They might have hung back and demanded an international tribunal, which is a nation's manner of going to law, or delayed action, or taken any one of half a dozen courses. But after they had talked it over they said:

"This is what we can pay. We think it fair."

Stuart. "A good share of our statistics come in by mail. They know we play fair."

When Director-General Davis took charge of the Railroad Administration, the first thing he did was to set up a staff of experienced railroad men. Not one in a position of responsibility had been less than twenty years in the business. Then he began to get information. There were almost 2,500,000 freight cars and 61,890 locomotives to be accounted for, among other things, on the 366,197 miles of road. Every penny spent was to be noted. A system of joint checks was set up, so that both sides should be informed on every question in controversy. It cost the Government almost \$20,000,000 to do it, but it was worth it. The conclusions based on the joint checks were not questioned. They could not be.

But when it came time for settlement, a bug was found in the form of standard contract on which twenty lawyers had worked. One clause provided that the Government should restore the properties to their owners in substantially the same condition as when received. Another provided that this agreement should be considered as having been

a false charge. Labor, they said, was inefficient under the Government and it was not fair to soak them for the faults of management. They got away with this—they asked half a billion dollars drawback because of the inefficiency of labor—for a time. The I. C. C. held with them at first. Then Director-General Davis won his argument.

"Railroad labor was no more inefficient than the sort of labor the rest of us got," said he. "Other people did not recover. Why should the roads?"

That was his position throughout. That the roads were making money before the war and were losing money when the war was over he admitted, and that the Government made two mistakes in its dealings. One was in the concessions made to organized labor, and the other was the fact that the roads were not permitted to increase their rates to meet their added outlay. But he also insisted that the loss of money was not provably the Government's fault. The roads had been marks for sharpshooters for a long time. Their early errors were being constantly brought up against them.

"It is true that they suffered a severe economic loss," said he, "but this is a loss for which the Government is not responsible and for which no compensation could be paid, and is probably a loss that would have occurred

because of a state of war, independent whether or not federal control had existed."

Davis says that the reason why the war bills between the Government and the roads were settled without litigation is three-fold.

"In the first place, most men are fair. When both sides put all the cards on the table they pay by what is shown.

"Second, most of the railroad presidents were big men. They wished to avoid trouble with the Government. They are patriots.

"Third, they felt inclined to accept a fair settlement, even though it was not generous, because they were poor. The roads needed the money."

He was able to convince them that, as a whole, the roads had been well kept up by quoting their own figures. In 1920, after the release of the properties, the roads moved 9,000,000 more ton-miles than in 1918, which was the best previous year. They moved more tons per car and more miles per day than the Government had ever been able to do, or than they had themselves done. They could hardly have done that if the roads had been starved. Now they are getting far enough away from the war to call themselves normal. There are fewer bad order cars than ever before and more locomotives in good order. Under their own management last year they netted \$985,000,000, which is ten million dollars more than they made in the last pre-war year of private management. True, two billion more dollars had been invested.

"It was the subordinates that made much of the trouble," said Davis.

The railroader, he explained, is an intensely loyal soul. His road is the best ever, his boss the best ever; those who wrong either are incredibly blackhearted. They fought for every inch of vantage through the period of government control, as they should have done. Because of their partisanship they made too optimistic reports. They were honest but one-sided.

"Here is a claim for 'steen millions against the Government," they said. "And it will stand up. Hooray."

So their superiors reported to the directors, because they believed; and the directors reported to the Government. Neither thought how immense were the sums the Government had expended. The Pennsylvania road, for example, handled 10 per cent of all the freight of the whole country during the war. No one thought of economy; no one could. The job was to get the job done. When settlement time came both sides produced books and vouchers. It took time to strike a balance, of course; and when that balance was struck, there was a bit of sparring. No wonder. There was a matter of forty million dollars between them. The figures were gone over again, and the Pennsylvania officials retired for consultation. In fifteen minutes they were back.

"We'll give you ninety million dollars for a quit claim," they said.

"Sign here," said Davis.

That was the largest day's business of the U. S. R. A. Every one heard of it at the time. On one of the other roads the situation was a miserably complicated one. Mr.

Davis says frankly that he does not know whether in this case or any other he has done full justice. No one could know, he said. The cases were too stupendous. The human mind could not grasp them, and no one was on the job but humans. No lawyer, he says, would know how to prepare one of these cases if it had been sent to court. No court would know how to handle it. What he does know, he says, is that:

"I tried to be fair. I believe I was.

"If any one got the best of us, I don't know who."

On this second road the representatives of the two sides had agreed on the credits each claimed, but the road's people held it was entitled to a larger allowance. The president came to Washington.

"We will pay whatever you think is right," he said. "I'll start by saying that. But before you decide, hear me for ten minutes."

He told what the road had done, what had been done to it, how it did it. When he got through he said:

"Well?"

"Nine million dollars," said Davis. "I'm sorry. But that's what you owe."

He had the best of these situations, said Mr. Davis, because his was a one-man affair. He had no board to consult. He was the boss. He could settle each case to suit himself. Often the element of time won the battle. If it had been necessary to go into a back room and wrestle with a bunch of hard-headed assistants and perhaps postpone and delay, the railroaders might have changed

their minds. As it was, he could strike when the iron was hot. Once the head man of a delegation had been his friend for years. They were standing in the embrasure of a window while the experts were fighting over equations. The railroad man said to him:

"What are these equations they're talking about, Jim?"

"Damn if I know, Charley," said Davis. "Do you?"

"Hell, no," said Charley. "Tell you what I'll do. I'll give you two million dollars."

"You bought a horse," said Davis. Then he turned to the disputants.

"Never mind the equations," he said, "whatever they are. The case is over."

In one instance a claim for \$400,000 was presented on behalf of one road, the charge being that the engines had not been properly maintained. Engines are sent to the shops at regular intervals for what are called "classified" repairs. Between times they are expected to do a certain number of miles. The road claimed the Government owed 2,000,000 miles that its undermaintained engines had not been able to perform. Davis said the engines had done 1,500,000 miles better than during the previous test period, because they had been so well kept up. The joint record was called for.

"You win," said the railroader.

That was the sort of thing that happened constantly. Fair-minded men were on the job. Another common-sense reason why lawsuits were avoided is that pegs to hang them on were hidden so far as possible. The Government did not pay for item by item. That would leave the account open, and years later some ingenious master-mechanic might think up some brand new claim. Itemized payment might conceivably irritate some one into going to law, too. It is not in human nature to avoid kicking if the man across the street gets more for his dollar than you do. But if you do not know and could not prove it, anyhow, you will go on being content. So Davis paid lump sums for blanket releases. Another reason is that the Government paid cash.

"I'll give you five million dollars," the Director-General said in one case.

"When?" asked the president of the road.

"Now," said Davis. "As soon as I can have a check made out."

"Give me the check," said the president. "I want to catch a train."

Cash and a quick settlement would stave off many a lawsuit if people only stopped to think. Many a man tries to be clever and get the best of his opponent, and only manages to get himself in a jam. Davis came to that conclusion years ago when he was the head of the railroad attorney's committee in Iowa. Life wasn't so easy for the roads even then. The legislators had just taken away from them the privilege of issuing passes, which had smoothed their way through many a rough spot. Davis feared that the state legislators might possibly try to be rough with the railroads. So he asked a favor.

"I just want permission," he said, "to make a statement of our case to the legislative committees, which can be published in the papers."

There was no trouble, because that statement clarified understandings. Both sides were able to agree. Most people feel that way when they are given a chance, Davis says. When he was a country lawyer he used to beg his clients to keep away from the courthouse.

"Don't go to law," he said. "Sit down and talk it over. You both want to be fair."



Litigation doesn't pay

The Battle of the Bonus

By ED STREETER

Author of the Famous "Dere Mable" Letters

DERE MABLE, I just received your picture post card from Washington an have stuck it in my war album. Id like to get a chancet to look over some of those locul battel fields myself. Its turrible to think of the acers of devastated desks an of the brave lads that stuck by em till they passed out from loss of ink. I knew a private once what fought the war in Washington. Hes drawin disability pay now for a parilized right arm. But that aint what I took my pen in hand to write you of.

Its this Bonus bisness thats botherin me. I wish youd get me the real inside dope on it if you happen to be talkin to Mr. Coolidge the well known presyent some day. It aint that Im mixed up on where I stand. I know that all right. Id just like to find who started all this an give him a chancet to see if his war risk insurance still works or not.

Theyve been pullin an haulin me from pillow to post about this thing ever since you went away. There aint a day somebody dont come up to me an ask me for my views. Its the first time anybodys wanted em since the day I brought the picture post cards back from Patee. But them was views worth askin for. Which is a French joke an I guess you wouldnt understand.

One day its the Ex-Service Mens Auntys Bonus league thats after me to sign up with their outfit. Next day another bunch is tellin me Id be a dumbell to do that cause all I got to do is to sit tight an holler an Washington will have to come across with the price of a second hand Ford Poco Pronto. To use a French idiot of speech. All of which was confusin till I got onto the idear of what they was talkin about.

The Silver Tongued Oraters call it adjustibel compinsation, whatever that means. I call it a handout an handouts was over for me when I marched off the dock at Hoboken. At last Im on a self supportin basis as the man wrote his wife when he hung himself. I dont need no more free movies, nor Paris Heralds, nor footless socks to wear on my less socks nor nuthin. Im workin now—An it aint the Government nether.

But when I tell these Bonus fellows that they look at me like I was missin some of my buttuns. They say dont I know the Government owes me money. It seems that accordin to the rules of the Patryots Union they forgot to pay us overtime or sometin. Maybe its for smoothin out horses on Christmas. I dont know. Im here to state one thing, though, an that is I dont need no hired Napolyuns to tell me who owes me money an who dont.

Of course they didnt pay me enough. Cause why? Cause they couldnt. It they could

have the Treasury would have gone bust the first pay day on me alone.

Steepel Jacks that climb steepels gets 25 snacks per diem, as the lawyers say, cause their work is sposed to be dangerus. On that scale I often wonder what I would have drawed that day in the Bois de Forges wood when the bullets was playin "she loves me she loves me not" with the daisys right above my tin derby?

And what do you spose me an Angus MacDonald was worth an hour the time we sat in the

Chathoe (which is a kind of a French railroad station near Brillycourt) and listened to the Fritzes take the thing apart over our heads? An Mable, I can remember times when, on a piece work basis, Ive peeled \$500,000 worth of Government potatoes in one week without gettin it.

Wages for what we went through! Wages hell! (If youll excuse the expressun.) Do they think we're like those fellows Ceser used to hire when he wanted to catch himself a new town? But thats history, Mable, which of course you wouldnt understand.

Of course I took what they handed me. Id have took all theyd give me if not more. As it was, by the time they got through takin deductions away from me my Vin Rooge allowance wouldnt have kep a Frenchman alive till his Petty Dajunay (which is a French dish eaten right after breakfast). Just the same, Mable, Id have taken Rushin roobles if theyd handed em out. So would the rest of the bunch.

When I first went down to trainin camp there was an old fat horse doctor that said I couldnt be a soldier cause I didnt have good feet. Quick as anything I says I knew they wasnt much to look at but I hadnt figgered that I was enterin em for no beauty contest. Fast with the comeback, thats me all over, Mable. An when I saw he looked kind of sheepish I says Id used em for twenty odd years (barrin a few months at the start) an they hadnt wore off yet. But it wasnt no use. I come near tastin my first blood that day.

An remember how, after that old pill-shooter had stamped the "I-C" on my dogs, it took me three months to butt my way into the army? It would be easier for a camel to take a needle out of his eye as mister Shaksper said than it was for me to get permission to get my head blowed off in a

uniform that was three sizes too big for me. But I got in, didnt I. An I went to France. An I aint sorry. An theres a few others in the same boat. About two milyun of em to be exack. An they tell me the government owes me money!

Why, Mable, do you spose if I saw a guy pushin a lot of wimmin an children into the lake, an I was to give him a poke in the nose, that Id send em all a bill for \$1.25 a year later? It makes me sore to have em act like this war was fought on a contrack basis. Its the only war I got an Id like to keep it decent.

Of course if Id been mussed up that would be differunt. Id have expected a lot from them then an Id have been the first to holler if I didnt get it. But from all I can make

out theyre tryin to do their best for those fellows. I heard a man say theyd spent two bilyuns on em already an that was just the beginnin. More strength to em, I say. An there aint a fellow what was really in the scrap an saw em go down that dont agree with me. If there is an I run into him hes liable to need a little help himself—an it wont be from the Bonus. Im for diggin down for that crowd till I strike rock—An then I feel ashamed cause I cant give no more.

An instead of that they want me to hop on the band wagon an take a ride with em. Well they got another guess comin, thats all.

The way it all looks to me is this. Either they owe us somethin or were lookin for charity. Now I know they dont owe me nothin. I didnt fight the war for the Government. I fought it for my home and my country and for you, if youll excuse me mentionin it.

Nobody owes me nothin for that. Then it must be charity. Well I dont want no help just now. An as long as things is breakin right whats the use of goin round yellin for help. Keep that for the fellows what got knocked out—An as for them—well, Mable, I kind of feel it oughtnt to be our duty to take care of them. It ought to be our privilege.

No—when I get to be a dodderin old reck like your granfather, with Spanish moss hangin from my chin an my granchildren (if youll excuse my referin to em) sittin on my knee in regular order Im goin to tell em about the war if they like it or not. An when they ask me if I was in all the battels Im goin to raise my head as high as the lumbago lets me an say "Yes; all of em but one—the Battle of the Bonus."

"I had all the war I wanted before the 11 of Nov. 1918."

An thats that. Give my regards to your mother. An to the dog if hes with you. An to your father to for all I care.

Yours till germany pays, BILL.



"And they tell me—"



"That fat old horse Doctor"



"The post cards from Patee"



"Footless socks on my rists"



Our Interdependent Industries

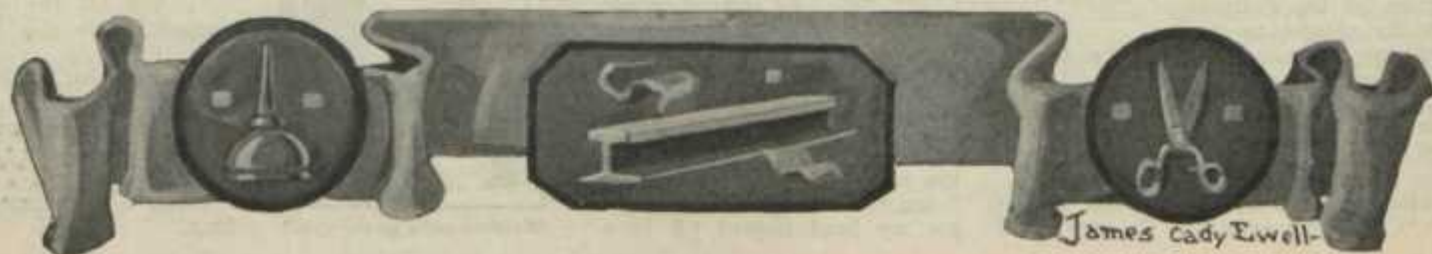
IV. Steel By Jamison Handy

STRENGTH, endurance, versatility—these are the nature of steel. The staunchness to stand, the elasticity to yield, the readiness to take uncounted supple shapes and hold them firmly—these are the greatness and grace of steel, substance and fibre and instrument of industry, skeleton and sinew of civilization.

What nobility of example, what inspiration of unending service is held before business by the sturdy stability and eager edge of this ubiquitous metal, which suits itself with equal willingness to surgery or ditch-digging, the blaze of battle or the stitch of domesticity.

Serene of span as a mighty burden bearer, or modestly underlying the beauty of skyscraper, steel comes with like competence to the core of burrowing tunnel or the soar of steeple. No task is too great for the majesty of its mettle. None is too humble for the bend of its dignity; none too delicate for its fettle and fineness; none too wearing for its patience and persistence. No metal is too lowly to be met in the comradeship of alloy, spirit of cooperation.

What wonder then that every modern activity has come to take aid of its giving, until today we find serviceable steel, piercing and shielding, hauling and holding, rolling and riding, in brake-band as in engine, in the ship that floats as the anchor that sinks, in pen for pig as in pen for poet—a thousand ranges of contrast as pointed as the sword and the ploughshare.

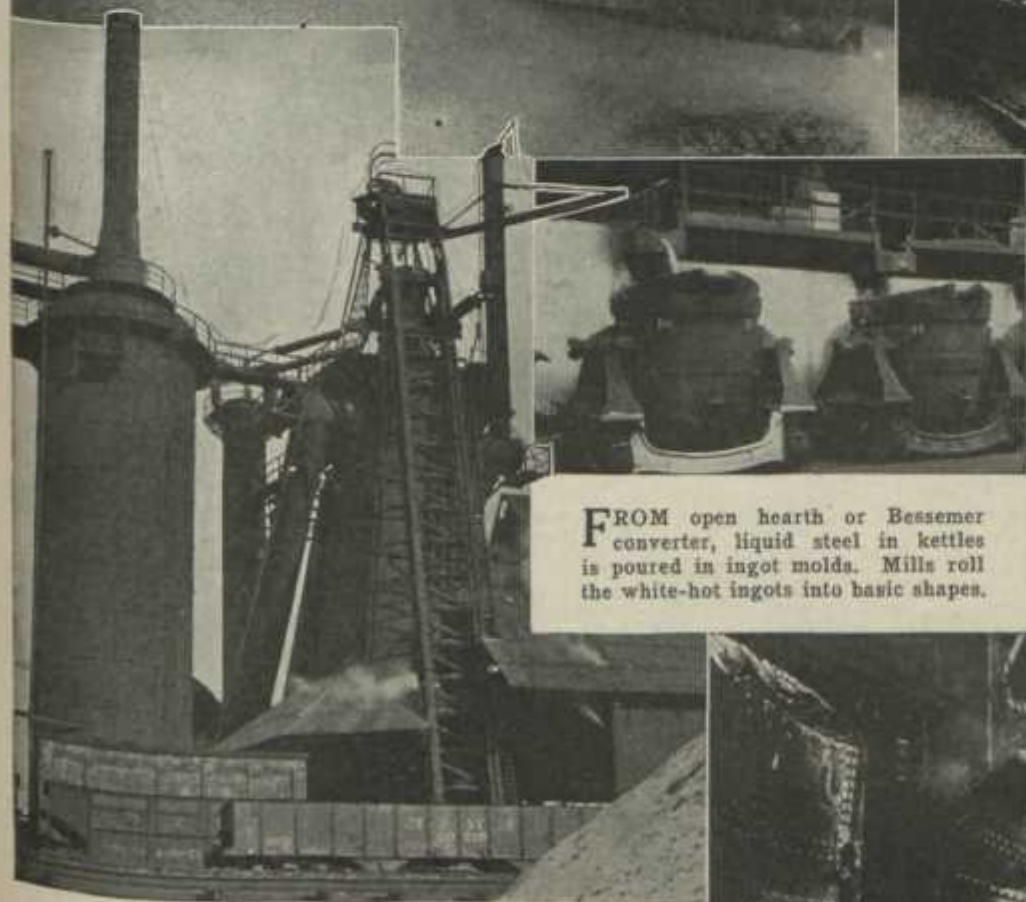
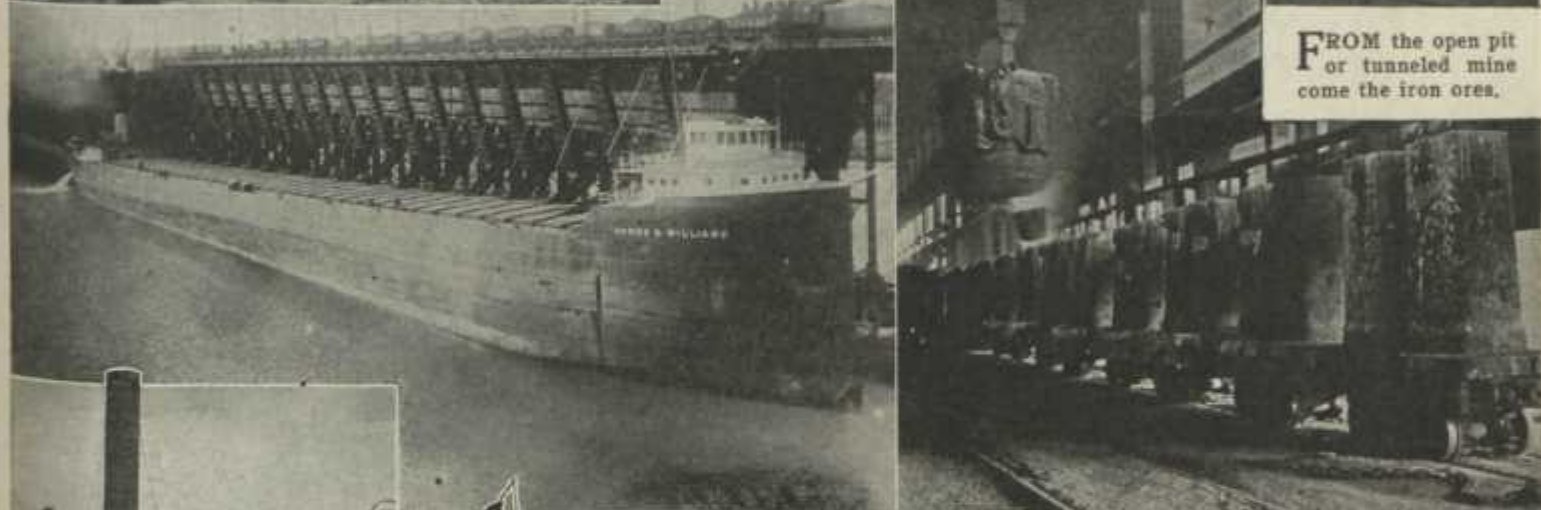


James Cady Ewell

STEEL



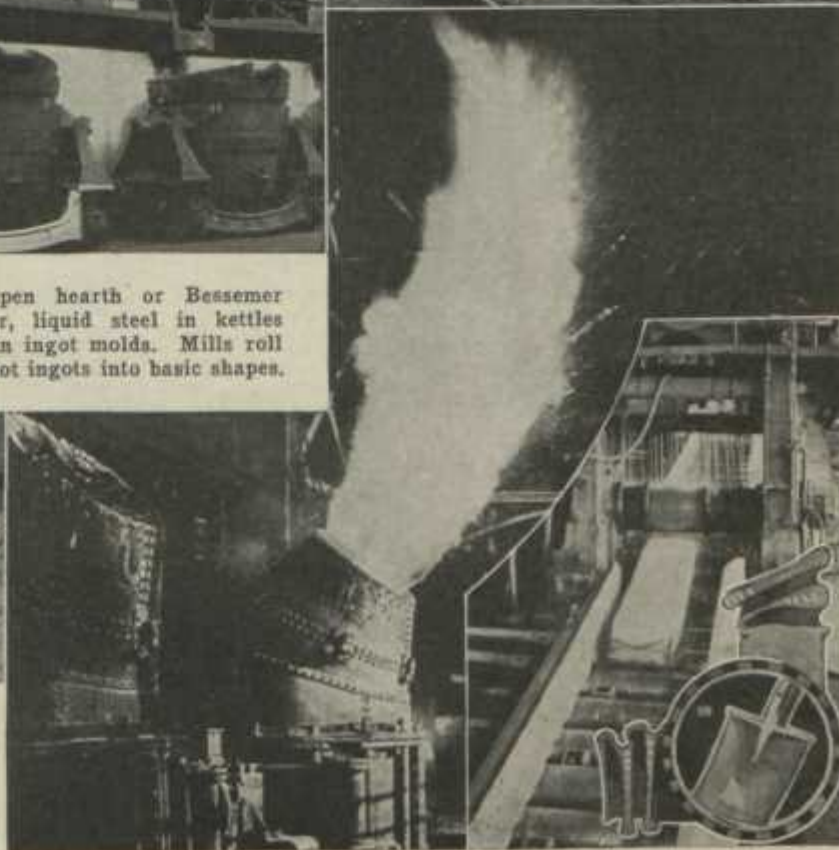
FROM the open pit or tunneled mine come the iron ores.

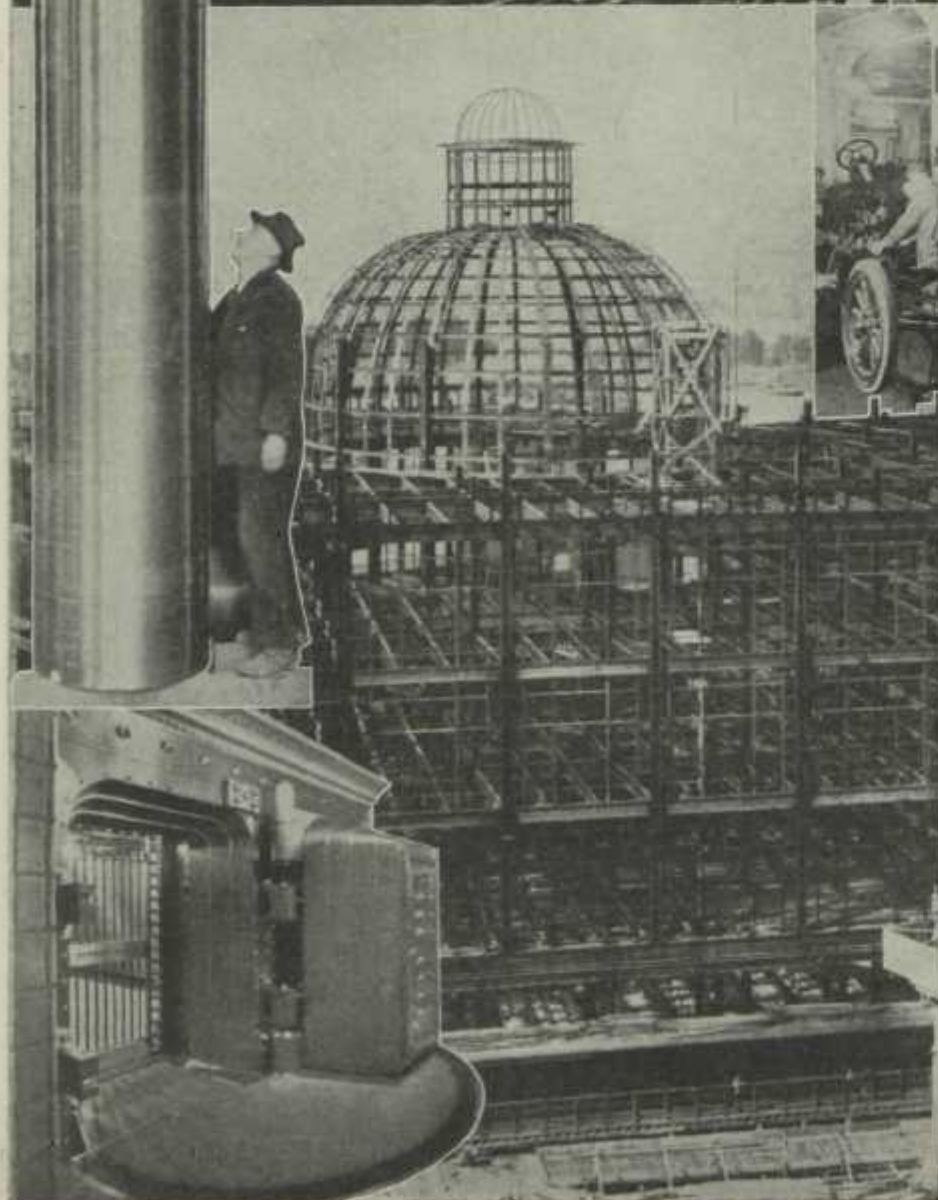
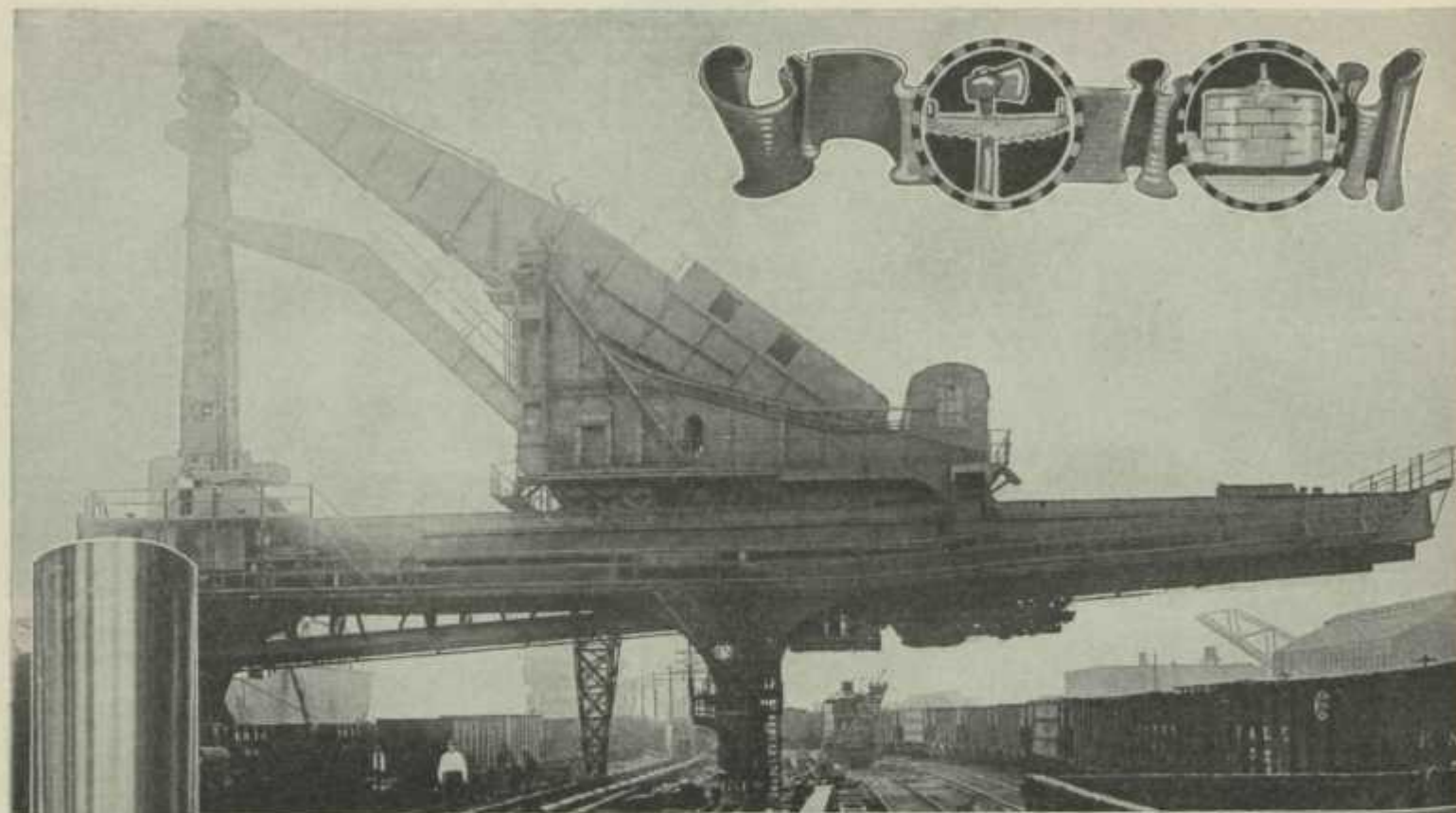


FROM open hearth or Bessemer converter, liquid steel in kettles is poured in ingot molds. Mills roll the white-hot ingots into basic shapes.

DELIVERED by train and ore boat to the perpetual flames of tall blast furnaces, the ores are dumped into the coke blast, with limestone as a filtering flux. The molten iron runs out to harden into pigs. Steel is manufactured by melting refined iron with carbon.

Pictures by U. S. Steel Corp., Bethlehem Steel Co., Brown Hoisting Mach. Co.





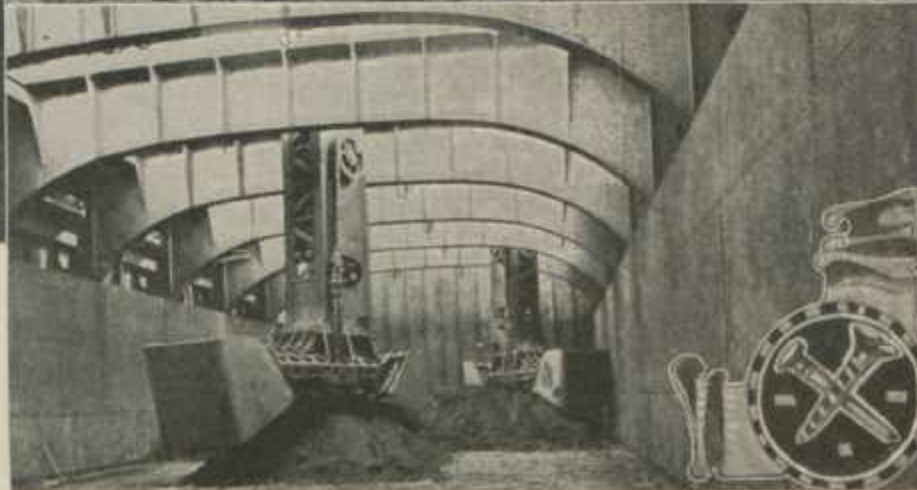
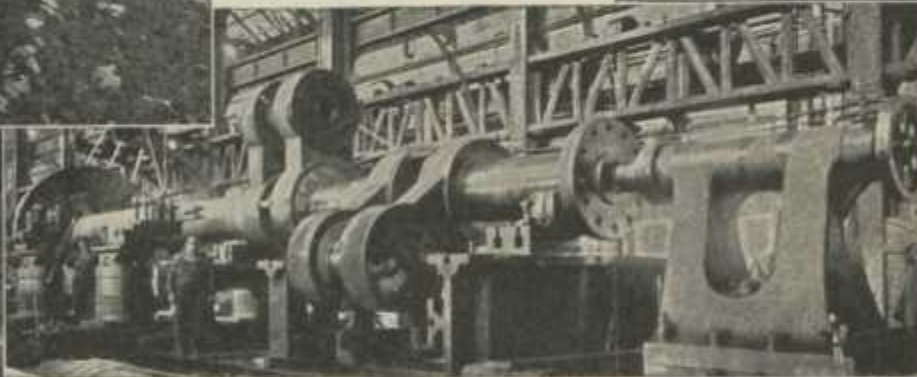
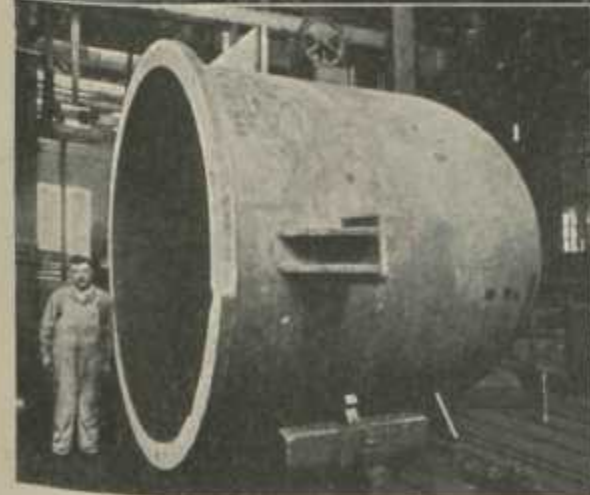
TO TRANSPORTATION, steel gives not only the rail and the car and the wheel, but the power utilities of locomotive and crane. To manufactures, it supplies the materials for a myriad devices and the means that fashion them; to commerce, the shelter of structure and the protection of safe or vault.

Pictures by Wellman-Seaver-Murran Co., Bethlehem Steel Co., Ford Motor Co., Burroughs Adding Machine Co., Mosler Safe Co., Austin Co., Hull Mfg. Co.



MANY varying metals bear the name steel. Heat treatments, carbon and alloy give unnumbered changes of quality.

Bridgework or hammer or fence wire differ widely from needle or tool steel or lathe.



TO AGRICULTURE, as to mining, steel gives the tools; to engineering, all instruments from the compass to the giant crankshaft; to lumber, the ax, chain and saw. Containers great and small are of steel in its many forms, the pipe line and tank of petroleum and gas supply, as well as the crucibles of the chemical industries and holds of ships.

Selling in Southeastern Europe



U. S. Trade with Austria And Her Neighbors

By FREDERICK
SIMPICH

Illustrated by Charles Dunn

TODAY, Vienna is slowly but surely winning back her old title as money queen of southeast Europe. Remember Austria's dark days of 1922. Barely eighteen months ago, Austrian paper money sank so swiftly that clerks in stores had no time to serve customers, so fast they had to work marking up prices as *Kronen* went down. In his distress, the Finance Minister even planned to ship Austria's famous Gobelins tapestries to America, and exhibit them here at a fixed price of admission, to raise funds for his treasury. In the end, he actually pawned these tapestries with the British—for £2,500,000!

The whole world applauds the genius of Chancellor Seipel, the only priest at the head of a government. His effective appeal to the League, its timely response, its guarantee of Austria's sovereignty—the singular success of Dr. Zimmermann, former burgomaster of Rotterdam, in his big job as business manager of Austria—all stand conspicuous in the annals of European reconstruction.

No need to detail them here. But in closing this series of articles on Uncle Sam's competitors in Europe, it is useful to see just what has happened in Austria since she passed the crisis of 1922; and to glance briefly, also, at trade conditions in the Succession States, ripped from the old empire of Franz Joseph.

During the first half of 1923, Europe took 50 per cent of all our exports, or goods to the amount of \$950,000,000. Our total trade with Austria and the Succession States is almost back to what it was in 1914—counting American goods sold to Holland, Denmark, Belgium and Germany and reshipped then to Prague and Vienna.

Of far more ultimate interest to us than these mere belated trade figures, however, are the economic processes now going on—and the effect they may have on our future trade, and not only with Austria, but all the small countries in that part of Europe.

Eighteen months ago, the so-called German Nationalist party was so strong in Austria that, had a plebiscite been taken, the tottering country would no doubt have voted for union with Germany. Prosperity—under

Zimmermann—changed all this. In the October elections, the Nationalists were badly snowed under. Financial aid through the League, the investment of outside banks in Austrian banks and industries, all tend now to make of Vienna a commercial emporium for the states that once formed part of Austria-Hungary, much as it was once the center of their political, literary and artistic life. A sign of new faith in Austria was lately shown when a New York syndicate offered 100,000 shares of the Vienna Mercurbank to Yankee investors at \$15 a share. That Vienna is swiftly recovering her old position as the financial clearing house for southeast Europe, is further shown by the steady inflow of bank capital.

Today the Bank of England controls the Anglo-Austrian Bank. The old Laenderbank has come under French control, and is now known as the "Bank de l'Europe Central." The "Big Seven" Vienna banks now find blocks of their shares held by American, British, French, Belgian, German, Swiss and Dutch banking groups. J. P. Morgan and Co., and Schroeder and Co. of London, have bought interests in the Boden Creditanstalt; the London Provincial and Union Banks, as well as Lazard Brothers of London, have also bought shares in the Creditanstalt, and the all-powerful Schneider and Co. of Paris own an interest in the Niederoesterreichische Escompte Gesellschaft. Strengthened thus by

outside capital, some of the Vienna banks are in turn branching out into other countries; the Creditanstalt has founded a bank in Amsterdam and bought an interest in another in Berlin. And, on the job as usual when capital is moving around in Europe, we discern again the powerful figure of Stinnes—this time buying control of the Alpine Montan Company, which is the leader of the iron industry of Austria.

Though she was the first European country to get into the big war, Austria is now also the first to reach the safe, sane path back to normal economic life. Her reparations are postponed 20 years. Now her chief foreign debt is for reconstruction loans, totaling \$130,000,000, towards which are pledged customs and tobacco receipts. In July last all war loans were called for redemption at face value, in order to pay them off cheaply before the

crown goes higher. It's stabilized now at 70,000 to the dollar, or 14,400 to 1. You can see what a fat saving this means, but it's rough on those who patriotically bought bonds!

These banks, with their new strength, are become great issuing houses for new capital in Austrian industry. It is now a usual practice, when new stock issues are marketed, to allot large blocks to syndicates formed by the bank that does the financing; it thus not only votes on its own shares, but also those of clients on deposit with it, and thus business and industry are passing largely under bank control.

In view of Czechoslovakia's rapid rise as a manufacturer and trader, her recent trade and other agreements with France cannot help but bring her neighbor Austria more under French influence. Already the French own part of the Austrian Southern Railway, and

are urging that it be made an international economic unit, running through the Succession States. Political and military agreements, similar to that made between France and Poland, are now being negotiated between France and the Czechs, it is said; this will make Czechoslovakia a link in the chain which French politicians, bankers and manufacturers are drawing around Germany.

Then she will form part of a Belgian-French-Czech-Polish alignment, supported probably by her Little Entente colleagues, Yugoslavia and Roumania. No other continental combination could rival this, unless Germany and Russia should form an alliance. Fundamentally, however, these agreements all tend to stop the fuss over frontier restrictions, import and export licenses, visa and passport troubles and similar obstacles to travel and trade which have helped hold Central Europe back for the past five years.

Our own commerce with them can only prosper when these small lands shall have settled their disputes and begun trading freely among themselves. The Czechs afford a good example. They quickly put their house in order, and now they pay for our cotton, oils, tobacco, foodstuffs, metals and textiles with their own glass, flax, furniture, textiles and magnesite. We do far more business now with this new republic than we ever did when she formed a part of the Austrian Empire.

Though bound together for centuries, Austria and Czechoslovakia today, partly due to the rise of the Czech crown, are fighting to form new trade connections in other lands. At her last international fair, Vienna drew 25,000 buyers from foreign parts. Hungary took 30 per cent of her 1923 imports from Austria. Vienna makes a bold bid to become the distributing center of goods from Poland and Russia, to the markets of south and southeast Russia.

In point of volume, Germany buys more from Austria, and sells her more, than does any other country. She shares to the extent of 24.6 per cent in Austria's import trade; the Czechs get 23.3 per cent of it; Hungary, 11.8 per cent. We hold fourth place, with 6 per cent. Britain gets 2 per cent. Austria sells us artificial silk, velour hats, leather, antiques, and manufactures of nickel, brass, bronze, silver, and last year she sold us 1,465,000 incandescent lamps. From her we also get much wrapping paper and undressed furs.

We send her grain, flour, bacon, copper, typewriters, sugar, tobacco, fats and oils, asbestos, gums and resins, machinery, and chemicals—and some cotton. We are the only far-away land from which she buys to any extent, and most of her exports go to near neighbors.

For American exporters, Vienna is a strategic point. It stands at the crossing of the great north-south and east-west trunk lines of central Europe. It supplies foreign goods

to all southeast Europe—even to the Near East; it is a convenient point at which to warehouse goods for distribution anywhere in that part of the world, and its Municipal Council plans to set up a Vienna Free Harbor on the Danube—now open to ships of all flags.

Such a free port would encourage the erection of factories engaged in finishing raw or semiraw materials and would provide warehouse stations for foreign goods destined for points further inland. Vienna's importance in the traffic of east, west and south Europe is shown by the fact that in the first half of 1923 about 1,350,000 metric tons of goods went in transit through Austria—mostly through Vienna.

American traders should remember that Vienna, growing fast as an important financial center, with many big banks now financing various waterpower projects, industries and trading concerns, controls a large traffic

in goods which never actually enter Austria. Thus, Polish, Yugoslav and Roumanian products may be sold through Vienna firms; and American goods bought by Vienna traders can be shipped direct from the States to points all over eastern Europe. Today large quantities of textile raw materials are bought by Vienna, for use in Czech mills. Polish timber is sold through Vienna, for western consumption.

Fully as interesting to American exporters is the rapidly increasing importance of Trieste, as a port of entry for the hinterland of Austria, Czechoslovakia and Yugoslavia. The rail haul from Trieste to the Danube is comparatively short. This river—with its chief transportation company, a British controlled concern operating about 100 steamboats and 442 barges—serves a wide territory east and west.

More and more, central European shippers are routing goods via Trieste. South German exporters, too, are coming more within the commercial radius of Trieste, says a report from the U. S. Consul at Stuttgart. Since the last increases of the German railway tariff and the burdensome system of gold port charges at Hamburg, the Bavarian and other shippers of south Germany prefer the cheaper export freight rates via Trieste. The use of this route also avoids the present risks and delays met in sending goods across turbulent Germany.

Our exporters of building materials may be interested to read that Japan is buying much reconstruction material through Trieste, such supplies being shipped from that port to Japan direct, by the Lloyd-Triestino. Numerous German firms have kept duty-free transit stocks at Trieste, so as to fill all orders promptly. German exports through Trieste, it is said, were over 30 per cent more in 1923 than the year before.

Austria's new tariff policy—another welcome sign of disappearing frontier frictions—makes many friendly concessions to goods from France, England, Italy, Switzerland, Yugoslavia, Belgium and Poland and Japan. These countries, in turn, have made tariff terms favorable to imports from Austria. It may be that by this plan for directing and controlling her imports of foodstuffs, raw materials and needed manufactured articles, she may be able to keep out any future flood of cheap wares let loose by Germany.

In ending these stories of our trade with Europe, and our customers and competitors there, the facts adduced show we may rejoice and be glad.

In brief, Europe took, prior to and during the war, over three-fifths of our exports. Today, in spite of her lingering sickness, she somehow manages to buy a bit more than half of all we sell, and to supply us with about 32 per cent of our total imports.

Viewing our whole world trade, the trend of exports and imports seems now free from the "markedly erratic movements both of quantities and prices attending the rise to and the slump from post-war trade-boom levels," says the Department of Commerce. It is even more gratifying that the level at which this stabilization has taken place, for both exports and imports, is well above pre-war position, even when due allowances are made for the rise in the level of prices.



The NATION'S BUSINESS

Published by the Chamber of Commerce of the United States

MERLE THORPE, Editor

Washington

March, 1924



Trade Associations in Statu Quo

TRADE associations came in for some more interdepartmental discussion in correspondence which was released for publication by the Department of Commerce on January 10. Two years before, lacking one month, the Department of Commerce and the Department of Justice had engaged in their first exchange of letters, following personal discussions by officials, and this earlier exchange had ended with the Department of Justice reserving full freedom to initiate proceedings against any persons or associations it, in its own judgment, had reason to think were violating the law.

The correspondence published on January 10 of this year, again between the same two departments, appears neither to add to nor subtract from that position. The Attorney General even fails to give to the Secretary of Commerce advice which the Secretary asked, whether or not he should continue his cooperative plan with trade associations, with the trade associations distributing their statistics, not merely to members and the Department of Commerce, but also to members of the public who care to pay a reasonable subscription price. That was a matter for determination by the Department of Commerce, the Attorney General said.

All of this seems to leave trade associations exactly where they were before, except that they have the advantage of some clear and resounding statements from the Secretary of Commerce regarding their economic functions and importance.

That is a real benefit. To this benefit the Department of Justice has not contributed, nor has it detracted from it. It remains prepared to discharge its statutory duty, to institute proceedings. Before the Department of Justice, as subsequently before the courts, each case will therefore depend upon its own facts. This was the situation before the first exchange of correspondence, and it is the situation after the second exchange.

So far as the correspondence may give rise to an impression that anyone in the Department of Justice may believe that acts are illegal which no court has yet held to be unlawful it is to be recalled that last month the Supreme Court, in ordering dismissal of a case begun by the Department of Justice under the antitrust laws, intimated clearly that enacting further laws is not the business of the Department of Justice or of the courts, but belongs exclusively to Congress.

Bad Outlook for the Boll Weevil

BUGS call for arsenic, and the hosts of the cotton boll weevil need lots of it. Arsenic as arsenic would kill both cotton and weevils, but the Government discovered that when combined with calcium, in calcium arsenate, it selects the weevil for its victim and leaves the plant to flourish. This process comes about through the circumstance that, being insoluble in water, calcium arsenate does not poison the cotton plant, but being dusted over the fields at night it gets into drops of dew, and when the weevil drinks the dew it gets enough of the poison to end its existence. This use for calcium arsenate has greatly increased the demand for arsenic. In 1919 something like

3,000,000 pounds of calcium arsenate were used, and 31,000,000 in 1923. This year a committee of producers, manufacturers, and government officials estimates there will be a demand for 35,000,000 to 75,000,000 pounds, according to price. This will require from 7,300 to 15,700 short tons of white arsenic.

Last year the Geological Survey estimated about 15,000 tons were available for arsenic compounds other than calcium arsenate, out of a total supply approximating 22,000 tons. This year it says if imports supplement the domestic production in the same amount as last year there may be a total supply of 26,000 to 28,000 tons. That would seem to mean a generous addition to last year's dose of calcium arsenate for the weevils.

Canadian-American Wheat Competition

COSTS of production of wheat in Canada, according to the Canadians themselves, are well below comparable costs in the United States. The present duty on wheat is 30 cents a bushel. Last fall the Tariff Commission was asked to ascertain if this duty equalizes costs of production between Canada and the United States, with a view to recommending to the President that he use the flexible tariff to increase the duty, if the difference in costs is in fact greater than the present duty. The duty on flour, etc., would be correspondingly changed.

The Tariff Commission has had a force of investigators in the wheat-growing districts of both countries. On February 13 the commission made public some of the data its staff had collected. Publication of these figures was made in order that they might be discussed at public hearings about wheat the commission opened on February 18.

Gathering figures, the commission may have found, is the easiest part of a job; for to the compilations of statistics of costs per acre and costs per bushel it added a list of formidable questions, which it has not decided, such as what to do with costs of transportation, how to arrive at a proper charge for the use of the land, and how to reach the figures which are to be compared—through use of arithmetical average, the bulk-line cost, or how.

Rights and Wrongs of Discount

THE MENNEN case may be succeeded by the biscuit case as a source of interest on the subject of discounts. The former case arose upon a decision of the Federal Trade Commission that there was unfair competition on the part of a manufacturer of toilet preparations, because the manufacturer gave larger discounts to wholesalers than to retailers or groups of retailers. The federal circuit court of appeals decided against the commission, saying the manufacturer could refuse, if it chose, to sell at all to retailers or anyone else, and if it cared to sell to them could fix its price at a different point from the price it charged to others. The Supreme Court declined to hear arguments about the matter and the decision of the court of appeals consequently closed that case.

In the decision, however, the court of appeals remarked that there was no allegation or evidence that the manufacturer had a monopoly or sought to acquire one. Apparently having in mind this remark, the Trade Commission has now instituted a new case on the subject of discounts, bringing it against a manufacturer of biscuits which are so well known, the commission declares, that in many localities a grocer cannot successfully conduct his business unless he has this manufacturer's brands.

There is something of a new factor in the case, however, in that the allegation of unfair differences in discounts is two-fold. In the first place, it is alleged that the biscuit manufacturer

treats each store in a chain system as if it were independent, so far as taking orders and making deliveries are concerned, but aggregated the orders for the system and gave quantity discounts accordingly. The second allegation is that similar quantity discounts were refused independent retailers when they banded together and wanted to aggregate their orders. Thus, the cream-of-wheat case of former years, when a chain store system tried unsuccessfully to force a cereal manufacturer to sell to it on the same terms as to wholesalers, reappears with some of the facts reversed.

In the biscuit case the commission has proceeded not only against the largest manufacturer, said to make 40% of the country's bakery products, but also against another manufacturer, described as turning out 15%, on the ground that the second manufacturer followed the policy of the first.

How far cooperative buying among independent retailers is really at issue in the case will probably appear later. Meanwhile, the commission on February 12 announced it had proceeded against implement manufacturers and implement dealers' associations on the theory that by conspiracy they have cut off farmers' cooperative buying associations in the East from the opportunity of buying farming implements direct from the manufacturer.

Have You Paid Your Fire Engine Tax?

FIRE apparatus when it is mounted on an automobile has filled the mind of the Bureau of Internal Revenue with uncertainty. The bureau held in 1918 that the term "automobile, automobile truck," described in the revenue law as a subject for tax did not include an automobile fire engine which carried only the persons required to drive it. Some time later it said that even though other persons might hang on and so get transported the machine was free from tax, but an automobile hook-and-ladder was always taxable, except when sold to a municipality. Half way through 1919 the bureau held that automobile fire engines and every other sort of automobile fire apparatus is taxable, even when sold to municipalities.

Manufacturers of fire-fighting equipment obviously had an exciting time trying to keep up with the bureau's changes of mind. On some of them they got refunds of taxes, only later to be compelled to return the refunds. On the decision of 1919 they brought suit.

The federal district court has now held that the bureau's final ruling was correct, because in using the term "automobile" Congress obviously intended it in its popular sense and the popular sense, the court thought, includes all self-propelled vehicles, regardless of their use. Incidentally, the court said that the tax was payable even though the purchaser was a municipality. Whether or

not this decision will end the question remains to be seen. A motorized fire engine may yet play an important role before the Supreme Court, where the question which has so bothered the Bureau of Internal Revenue will be whether it is a fire engine or a motor truck.

Music Prices That Meant Nothing

FICTITIOUS prices are as bad on music as on anything else. They had been forced upon music publishers, however. Being placed on music to show the suggested retail price at a time when music was being distributed through wholesalers, the same price remained after the retailers had been strong enough to get the wholesalers' discounts and were able to sell under the marked price.

In January, music publishers joined with the Federal Trade Commission in designating as unfair competition the printing of a price on music other than the price at which, as things now stand, the music is expected to sell.

Bricklayers and Hod-Carriers

A SHORT article on this page a hundred words long brought to us more letters than almost any other item which we have ever printed except, of course, those which, by some unhappy chance, contained errors.

The paragraph, published last November, said that a mechanical bricklayer had been invented by a Scotchman. If the correspondence it provoked be any test, the world is ripe for a bricklaying machine.

Bricklaying is one skilled trade which has survived the ages. Buildings were made of brick 4,000 years before Christ, and bricks were handmade and handlaid. Now bricks are made by machine, but they are still laid by hand.

Bricklaying has always been an honored trade. A skilled and finished worker is the man who reared the red walls we see on every side. Is the march of progress and quantity production to drive him to the wall?

What has become of his humbler brother, the hod-carrier? A generation ago in eastern cities, "hod-carrier" was a term of derision. It was one of the lowest forms of labor ready for the newly-landed immigrant. He could shoulder the hod of bricks or mortar and climb a precarious ladder. If he fell, there was another to take his place and little thought of workmen's compensation.

How long since you've heard anyone say, "He's nothing but a hod-carrier"? How long since you've seen a hod-carrier—a human one? Bricks and mortar climb to the top of our building by elevator. The grizzled, stoop-shouldered man, short pipe in mouth, no longer mounts the shaking ladder. A phrase and a trade have almost passed away.

Delivering the Bundle is the Easiest Half of the Job



Drawing in the New York Tribune

Business-Managing Our Cities

By DORSEY W. HYDE, JR.

WITH 321 American cities committed to a new type of administration, business men are asking: What is the city manager plan of municipal government? Is it a panacea for all our civic ills, or is it merely another of the fads and fancies which clutter up the pathway of municipal progress?

Before we can give a satisfactory answer to this question we must know the reasons given for the adoption of the new plan of government and something about its accomplishments. The advocates of the city manager idea speak somewhat as follows:

The effect of partisan politics in local government has been disastrous. The politician is not at his best as the executive head of a department responsible for public health, public works, or crime or fire prevention. A cigar and a smile may be vote getters, but they don't lower death rates or tax rates.

Camouflaging the Tax Rate

A WAR was not required to develop the art of camouflage. There are many ways for the ambitious politician to cover up such minor deficiencies as a lack of knowledge of the intricacies of municipal finance. In Dayton, Ohio, in 1912, local politicians did not bother with a budget nor did they regard accounting as an asset. They kept their eyes on the main chance and delivered the goods in the form of a low tax rate by borrowing money to avoid taxation. In this way they piled up \$6,000,000 of bonded debt—not to mention unpaid bills of \$125,000—much of the proceeds of which had been used for running expenses, such as pavement repairs.

But this was not the whole story. A politician may camouflage a tax rate but he cannot camouflage the death rate. The apparent lowness of the former was not reflected in the latter. People die from impure water and inadequate sanitation facilities, but it takes engineering skill to de-

sign and construct a water supply or sewage disposal system. It was not until the disaster of the Dayton flood that Dayton citizens were aroused to a sense of the educational shortcomings of their office-holding politicians.

The origin of the city manager form of government is traced to the city of Staunton, Va. The mayor and council of Staunton, in 1908, passed an ordinance creating the office of "general manager" and to this new official they delegated all administrative detail and responsibility. Two years later the Lockport, New York, Board of Trade advocated a plan combining the Staunton manager plan and the commission plan, which latter was then being rapidly extended, but the state legislature failed to pass the bill.

The first city to adopt the city manager plan by charter was Sumter, South Carolina. This took place in the summer of 1912 and Sumter's example was soon followed by two neighboring towns—Hickory and Morgantown, North Carolina. But the new form of government did not attract general attention until its adoption by Dayton, Ohio, shortly after the disastrous flood of 1913.

But "the Dayton experiment" should not be regarded as a result of the flood. As far back as 1896 a Dayton business man, the late John H. Patterson, stated that "a city is a great business enterprise whose stockholders are the people. . . . Our municipal affairs . . . (should) be placed upon a strict business basis and directed . . . by men who are skilled in business management and social science."

Success Claimed in Dayton

DAYTON gained considerable initial publicity for its new form of government by offering the job as city manager to General Goethals, of Panama fame, at a salary of \$25,000 per year. The essentials of the Dayton charter are: a commission of five men elected at large on a non-partisan ticket, the initiative, referendum and recall, and a city manager employed by the commission and subject to recall by the people.

Dayton's experience has been described very completely in C. E. Rightor's "City Manager in Dayton," and it is contended that the achievements in this city prove the many advantages of the city manager plan. In any event, the movement has gained some headway, as illustrated by the chart, reproduced herewith, showing the number of cities, by years, that are using the plan. According to last reports at least fifteen states have enacted permissive city manager legis-

lation, including, among others, New York, Massachusetts, Ohio, Virginia and Wisconsin.

Little has been written as to the mortality rates of forms of city government. In his compilation of articles on "Current Problems in Municipal Government," published last year, Lamar T. Beman furnishes some statistics. According to Mr. Beman, out of a total of 1,467 cities, of 5,000 or more population, 11.3 per cent, or 167 cities, operated under the city manager plan, which plan was abandoned in 16 cities, or 8.7 per cent of total. The same book gives a second list of 38 cities, mostly under 5,000 population, which have tried and abandoned the city manager plan. Among the larger cities are: Nashville, Tenn.; Altoona, Pa.; Bethlehem, Pa.; Waltham, Mass.; Tucson, Ariz.; Ambridge, Pa.; Johnson City, Tenn.; and Hot Springs, Ark. It is said that Hot Springs was the first city to abandon a city manager charter, and the *Ninth Yearbook of the City Managers' Association* (1923) states that "only three cities have abandoned the plan by vote of the people."

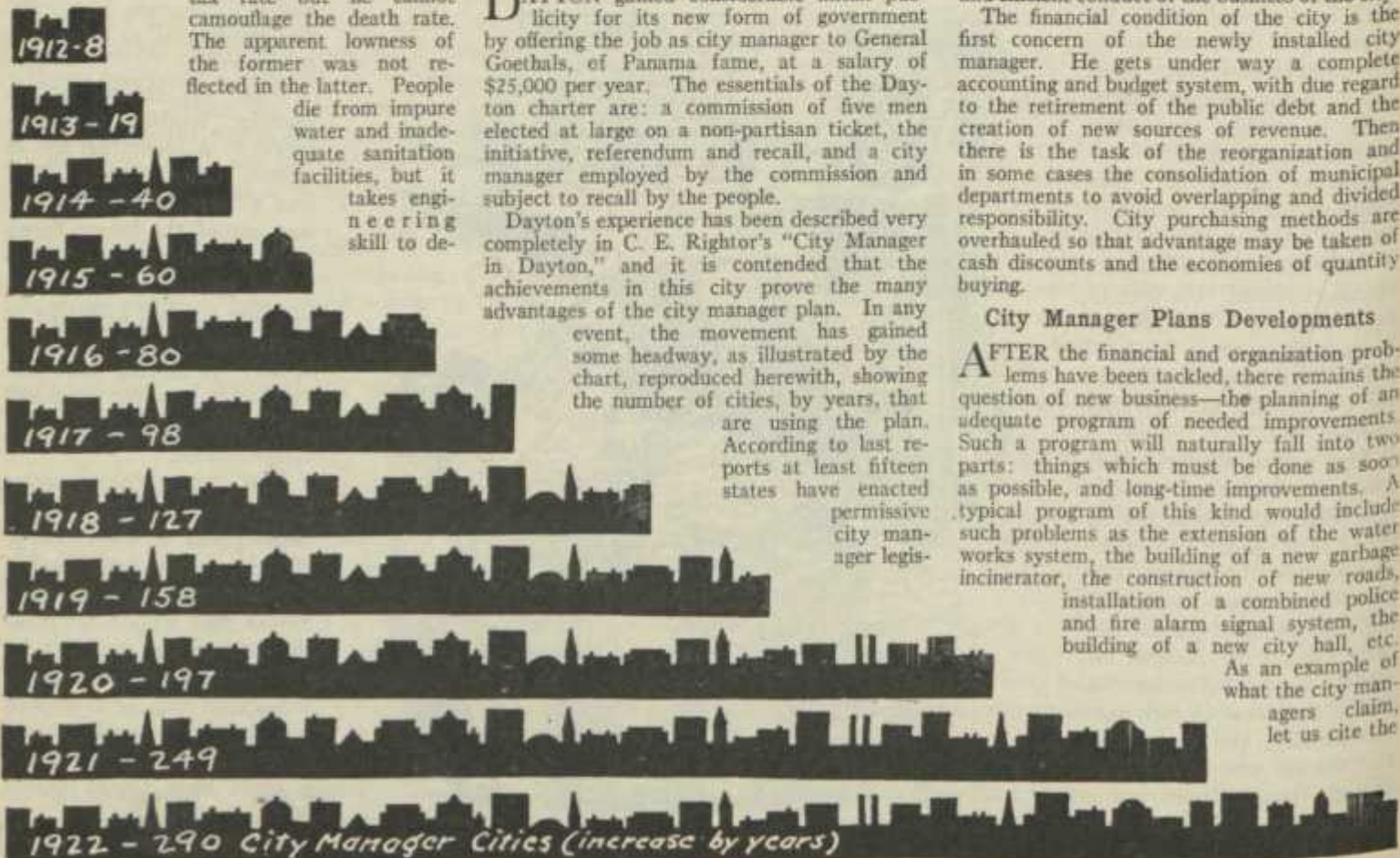
Advocates of the city manager plan say that under it Dayton and other cities are achieving new records of administrative efficiency. The form of government which they have adopted may be compared to the organization of a modern business corporation. The citizens elect a small commission, comparable to a board of directors, and these commissioners hire a city manager. The city manager takes his orders from the city commission; he chooses and appoints a staff of technical assistants to have charge of the various departments; and he is personally responsible to the commission for the faithful and efficient conduct of the business of the city.

The financial condition of the city is the first concern of the newly installed city manager. He gets under way a complete accounting and budget system, with due regard to the retirement of the public debt and the creation of new sources of revenue. Then there is the task of the reorganization and in some cases the consolidation of municipal departments to avoid overlapping and divided responsibility. City purchasing methods are overhauled so that advantage may be taken of cash discounts and the economies of quantity buying.

City Manager Plans Developments

AFTER the financial and organization problems have been tackled, there remains the question of new business—the planning of an adequate program of needed improvements. Such a program will naturally fall into two parts: things which must be done as soon as possible, and long-time improvements. A typical program of this kind would include such problems as the extension of the water works system, the building of a new garbage incinerator, the construction of new roads, installation of a combined police and fire alarm signal system, the building of a new city hall, etc.

As an example of what the city managers claim, let us cite the



"achievement report" of the little town of Tifton, Georgia, as reported to the City Manager's Association:

Collection of \$300,000 in delinquent taxes was used to retire bonds and to reduce other city indebtedness; the creation of an alert, sound-bodied and efficient fire department with a trained and experienced chief has saved in potential fire losses the equivalent of one year's tax levy; more emphasis is laid on fire prevention than upon fire fighting, which is estimated will save \$50,000 in fire insurance premiums. A gradual consolidation of health activities into one department was put under way; a modern accounting system has been installed; the budget for the current year was cut \$8,000, making the total tax 13.3 mills; contrasting with a deficit of \$60,000 the "hand over" from the old government, the year 1921 was closed with a surplus of \$30,000.

The record claimed for this small city operating under the city manager plan may be compared with the record of one of the largest cities operating under the plan. Grand Rapids, Mich., reports as follows:

Improvements with Lower Taxes

A HOSPITAL which cost \$600,000 was built and put in service; a sewer system for the southwest part of the city completed, at a cost of \$800,000; an addition was made to the filtration plant, at an approximate cost of \$400,000; a concrete bridge, estimated to cost \$250,000, is in the course of construction; all fire apparatus has been motorized, and a site purchased on which to construct a new engine house; built two new bath houses which cost \$15,000, also a new community house at a cost of \$25,000 in conjunction with playground and recreational work; purchased and partially developed a 320-acre municipal cemetery; completed water-main extensions, at an approximate cost of \$100,000; made a Pitometer survey of water conditions in one section of the city and found very little leakage; elimination of electrolysis has been provided for as a result of an electrolytic survey of water mains and of underground signal wires; extended the social service work to the care of the blind and those with deficient sight; appraised the street railroad and gas company's property, franchises of both having expired. With all these added expenses the tax rate has been slightly reduced as compared to the previous year, and no money borrowed for the costs of operation.

But it is not all plain sailing for the advocates of the new form of government despite the increase in the number of adoptions. Reports recommending the plan for larger cities—as in New York and Chicago—although dating a number of years back, do not seem to have been taken seriously. An examination of the population sizes of city manager cities shows that they are generally in the small-town class. According to the figures given in the *Ninth Yearbook* (1923) of the City Managers' Association, 68 per cent, or 309 city manager cities have a population of less than 10,000; 83 per cent have a population of less than 20,000; 87 per cent have a population of less than 30,000, and 92 per cent have a population of less than 40,000. At the time that report was made there were 17 cities of over 50,000 population operating under the city manager plan, and of these 17 only 5 had a population in excess of 100,000. The largest city now under the plan is Cleveland (796,841) where a new charter became effective on the first of this year. Akron, Ohio, formerly the largest city manager city, recently abandoned the plan by a charter amendment vote.

The democracy of the city manager plan has been attacked in many localities and it is frequently referred to as an attempt to "Prussianize" local government and to alienate

its citizens by the importation of foreign experts. Thus it is stated that the Akron attack on the city manager plan "was centered upon the alleged un-Americanism of the people being unable to vote for the chief executive and the alleged economy in abolishing a high-salaried position." The extreme of this viewpoint is illustrated by the criticism of an Indiana newspaper that "this plan is as old as history. Herod was city manager in Bible times. Nero was city manager in Rome. Robespierre was city manager during the reign of terror (and) Trotsky is city manager in Moscow today!"

An outstanding criticism of the city manager plan is that it fails to supply a recognized political leadership. Such leadership is essential if we are to foster right public thinking on community problems. The city manager, unlike the mayor, is not supposed to become a political leader, and political leadership thus devolves upon the city commission. But it is declared that the ability and integrity of city commissioners decline under the manager plan because their election to office is based largely upon their attitude towards the city manager rather than upon their stand upon issues of public policy.

Weaken Civic Interest?

THE IMMEDIATE effect of this loss of political leadership, it is asserted, is reflected in the breakdown of political machinery, a falling off in the popular vote at the regular elections, and a weakening of the citizens' civic spirit and interest. In other words, it is declared that city manager government is government for, but not by, the people and because of this the individual citizen gets accustomed to letting George do it and ends up by neglecting to fulfill his duties as a citizen.

At a recent election on the proposition to abandon city management in Dayton, Ohio, more than 15,000 votes, or 40 per cent of total, were cast in the affirmative. If Dayton citizens take great satisfaction in their new form of government, as has been asserted, would not the result of this election seem to indicate that they found some difficulty in making this feeling politically effective?

But city manager critics do not claim merely a weakened political leadership; they maintain, further, that effective administration is put in jeopardy. A given city manager may be thoroughly honest and an efficient worker but this is no guaranty of successful municipal administration. The relationship between the city manager and the city commission, according to the critics, is of a character to destroy the manager's personal initiative by compelling him to compromise continually in order to hold his job. Furthermore, ex-



perience has shown that the city manager plan does not secure continuity of office. Figures compiled by the City Managers' Association show that more than 40 per cent of 219 city managers served less than two years and more than 60 per cent served less than three years. Thus we should not be surprised to learn that LaGrande, Oregon, had ten city managers in nine years; Columbus, Georgia, had three managers in 1922, and Akron, Ohio, had three managers in the first three years under the city manager plan.

The logical way to evaluate the city manager plan would be to compare its achievements with those of other cities operating under the mayor-council form of city government. Unfortunately such a comparison is difficult to make because the achievements of cities operating under the older forms of government have not been collected in a manner to permit intelligent comparison.

In the matter of governmental cost is it possible to compare relative economies of city manager and other forms of municipal administration? Although it is possible to show extensive savings in particular cities for particular years, are these savings characteristic of city manager cities in general and over periods of years? It is not possible at this time to make a comprehensive comparison in this respect, because of the incompleteness of available statistics.

Statistics Inconclusive

AN EXAMINATION of the financial statistics of cities gathered by the Federal Census Bureau gives us figures for two city manager cities only in Class III (100,000 to 300,000 population); for seven in Class IV (50,000 to 100,000 population), and for 13 in Class V (30,000 to 50,000 population). The average per capita net debt for all cities reporting in Class III in 1921 was \$59.86. Of the two city manager cities in this class, one had a per capita net debt of \$31.20, and the other a per capita net debt of \$105.31.

In Class IV the average per capita net debt for seven city manager cities in 1921 was \$72.42, while the average per capita net debt for all cities in that class was \$52.44.

In Class V the average for 13 city manager cities, for the same year, was \$43.90, as compared with an average for all Class V cities of \$46.46.

Some further information may be gained by a comparison of per capita net indebtedness and tax rates per capita in city manager cities as reported for different years by the Census Bureau. A glance at the table

given herewith will show that out of a total of 13 city manager cities for which statistics were available the per capita net indebtedness

advocates who would win support by unfounded claims.

It is probably true that in the majority

and raising taxes. So the financial test of the city manager is not, has he kept the taxes down, but, has he used sound judgment in making his budget and has he gotten a dollar's worth for a dollar expended.

Of the three basic forms of municipal government—mayor-council, commission, and city manager—the oldest and most general is the mayor-council form. The need for centralization of power and responsibility, pointed out by Judge Dillon in 1872, has resulted in a strong sentiment for fewer elections and elective officers and for the concentration, separately, of legislative and executive functions in a small number of persons directly responsible to the citizens.

After the Tweed exposures New York adopted a charter, which, among other things, created a Board of Estimate and Apportionment which today may be regarded as "the board of directors of . . . New York." Thus the principle of the latterly developed "commission form" has been functioning for some time in America's largest city. The other extreme is found in such cities as Detroit where the mayor has appointive and removal powers without council confirmation. This development of the mayor-council form approaches the city manager plan as regards concentration of executive powers.

It is evident that the commission and city manager forms, which have yet to pass their first quarter-century of history, are but more rapid developments of previously existing tendencies. As extreme examples of these tendencies the experience obtained from such innovations should be instructive.

	Plan adopted	Per capita net indebtedness			Tax rate per capita		
		1914	1917	1920	1914	1917	1920
Kalamazoo, Mich.	1918	\$28.45	\$22.27	\$36.20	\$12.58	\$14.43	\$32.00
Lynchburg, Va.	1920*	85.49	81.57	79.83	15.28	16.24	18.07
Niagara Falls, N. Y.	1916	75.36	78.27	98.83			33.63
Norfolk, Va.	1918	84.45	87.91	105.31	10.68	14.44	18.72
Portsmouth, Va.	1916	44.99	47.13	94.35	4.66	7.73	8.25
Roanoke, Va.	1918	42.65	42.04	44.00	11.48	11.30	15.01
San Diego, Calif.	1915	199.54	157.93	163.95	30.34	29.98	30.18
San Jose, Calif.	1916	31.56	30.73	43.21	12.14	11.14	12.56
Springfield, Ohio	1914	40.69	42.71	41.77	11.03	12.34	16.80
Wichita, Kan.	1917	36.52	26.07	40.58	17.43	14.81	21.58
Bay City, Mich.	1921†	\$19.05	\$16.58	\$32.06	\$9.04	\$13.61	\$23.79
Dubuque, Iowa.	1920	26.56	21.18	21.47	11.88	16.99	22.05
Grand Rapids, Mich.	1917	30.74	31.23	31.20	15.31	16.95	27.52

* Lynchburg's Per Capita Net Indebtedness in 1922 was \$82.22; tax rate per capita, \$21.70.

† Bay City's Per Capita Net Indebtedness in 1922 was \$56.88; tax rate per capita, \$28.40.

has increased in 10, and the tax rate per capita has increased in 11.

The popular appeal of the "lower taxes" slogan used so often in political campaigns, has led to its adoption by some zealous advocates of the city manager plan, who assert that the efficiency of their system of government results in lower taxes. The table above so far as it goes does not bear out this claim. The fact that it does not bear out the claim, however, is no reflection upon the city manager plan, but only upon unwise

of cases city managers have been installed after a period of misgovernment which has run up the bonded debt, with its inevitable interest to be paid out of taxes, and which has diverted tax money into unproductive channels. By neglecting necessary maintenance and repair work, or by paying for them out of the proceeds of bond sales, the old government may have kept taxes abnormally low and have accumulated arrears of work, a combination which the most skillful city manager cannot meet without spending money

Your Playground a Business Asset

By WILLIAM BUTTERWORTH

President, Deere and Company

THE CITY OF L— has just had a severe jolt dealt to its civic pride, and a still more considerable financial loss to its collective pocketbook.

A big eastern manufacturer had been considering several midwestern towns as possible sites for his new and enlarged plant. The business men of L— felt reasonably certain that the manufacturer had practically decided to build in their town and they felt, too, that it would be a wonderful thing for the community and its 25,000 folks.

Then, unexpectedly, word came that L— had been eliminated. The news was a severe disappointment. The local business men got together and picked out the president of one of the largest public utilities in the territory to find out why.

The answer was to the point and highly informative. It disclosed, moreover, that the deciding factor was a thing which neither the local business men nor the municipal authorities had considered of much importance.

It was this: a careful investigation by representatives of the manufacturing concern disclosed that this particular town offered less to its citizenship, both young and old, in the ways of public recreation than any of the other towns under consideration.

The manufacturer's representatives reported that

there were no public parks, no municipal bathing facilities, no organized summer or winter recreational activities for the people. The only opportunity for recreation was through commercialized amusements—moving pictures, dance halls, and pool rooms—and it was felt that such a condition would make for discontent and carry too great an element

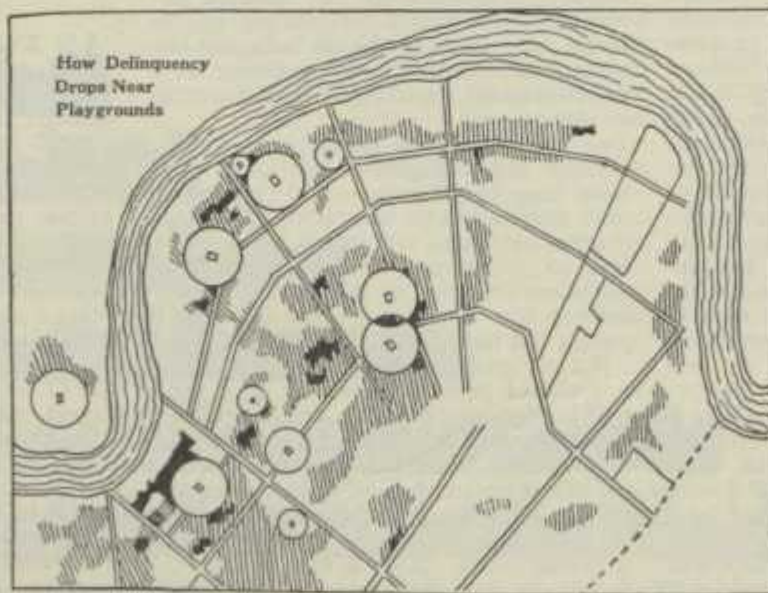
of risk in procuring and holding labor.

The incident has apparently done much to arouse the influential citizens of L—. It is

now proposed to put into operation, under trained leadership, athletic fields, tennis courts, swimming pools, municipal golf, public holiday celebrations, and other activities which will afford opportunities for the spending of leisure hours, and be of value in attracting to the city just such industrial firms as the one which was recently lost. At the next November election, the city is to vote on a bond issue of \$100,000 for municipal recreation.

The manufacturer who turned down L— as the site for a great industrial plant was prompted to his decision not by any queer notions of philanthropy or feeling of paternalism towards his employees, but by the soundest of business considerations. He was among that steadily growing number of executives who have recognized the fact that proper facilities for recreation outside the factory walls have a direct bearing on the cost and efficiency of the processes carried on by workers within those walls.

During the war days, I had an opportunity of serving as chairman of the War Camp Community Service in Moline, Ill. With armistice and subsequent demobilization, it



Courtesy The Times-Picayune

The shading shows the relative frequency of crime within the range of playground facilities in New Orleans and outside each eight-block radius of their influence

was felt that a service which we had needed while building for war, we now doubly needed while rebuilding for peace. Consequently, the Playground and Recreation Association of America was invited to assist in establishing an adequate community recreation program. The project is now in operation and has proved a great success, with constantly expanding activities.

Our budget for the last year was \$8,500, of which a little less than one-third came from the city treasury and the balance of more than two-thirds was provided by local manufacturers. Sports, social games, dramatics, boys' and girls' clubs, summer playgrounds and similar activities are being carried on under direction of trained leaders. The undertaking has proved, even in the comparatively brief period of its existence, a distinct social and economic asset.

Investment Brings Industrial Returns

FROM our experience in community recreation activities in Moline, I can say that no money can be spent to better advantage in promoting healthier citizenship and making for increased efficiency than by supporting such work.

Recently, a questionnaire was sent to business men's associations in a number of cities where public recreation facilities are maintained cooperatively, asking for an expression of opinion as to the value of the enterprise. The replies ran like this:

Tri-City (Illinois) Manufacturers' Association: The industries of this community contribute to Community Service recreation work and find the investment a worthy one. We feel that the investment brings a return.

Barberton (Ohio) Chamber of Commerce: Practically all our industries contributed toward establishing Community Service in Barberton. We do not hesitate to say that results have been satisfactory. It is the one way to solve the recreation problem.

The management of a great cotton mill in the South reported that "Notwithstanding the fact that Community Service reaches every class of citizenship, it renders a service to corporations that money cannot buy. Our employees have shown their appreciation of the many advantages in having such an organization; and as for ourselves, we can clearly see after two years' observation that to drop or dispense with the service would be a fatal mistake."

The Illinois Legislature approved last year a bill granting to cities and towns under 150,000 population certain powers not previously enjoyed for establishing locally adequate playground and recreational facilities. In its effect on the industrial and social life of our state, I consider the measure one of the most constructive passed during the entire session. It now remains for the forward-looking citizenry of each community to make effective its provisions.

With the shortening of the hours of labor, workers now enjoy greater leisure than ever before. And no plant manager can afford to be wholly indifferent to the conditions under which the many men and women in his employ spend these hours. The establishment and maintenance of adequate play facilities for spare time is a measure as needed for the upkeep of the morale of the human element in industry, as the protection by insurance of the more material things as buildings and machinery.

I do not wish to suggest any paternal at-

titude on the part of employers. In fact, a purely company control of welfare activities may defeat its own end and cause irritation to workers rather than bring contentment and efficiency. But such difficulty is avoided and at the same time successful activities are carried on through a plan of recreation under the auspices of the community at large, financed either by the municipality or when this is not immediately practicable, supported by the industries themselves.

Recreation on the community plan has proved popular because the participants take part in it not so much as employees but as neighbors and friends. Such a plan is resulting in a better-enjoyed social life among the workers, and is showing its direct effect in creating greater contentment, helping to reduce the wasteful labor turnover, and demonstrating itself to be one of the best ways of preventing juvenile delinquency.

The financial aspect of the maintenance of penal institutions and the cost of local criminal administration touches every taxpayer. The average cost of maintaining one youthful delinquent per year in a correctional institution is estimated at about \$440. The cost per capita of supervised public recreation carried on in 505 cities last year was 9 cents. And the money spent did more than prevent delinquency. It built constructive citizenship.

A well known Chicago judge remarked: "Statistics mean nothing to me, for usually they are undependable, but these are statistics that are absolutely irrefutable. It has been found in the city of Chicago in every case where a study has been made that juvenile crime has increased as the distance from the playground has increased."

Keeping Children Out of Harm

IN ONE district in St. Louis last year, juvenile delinquency was reduced 75 per cent after the opening of a playground in the locality; five months after the establishment of a municipal recreation system in Passaic, N. J., the juvenile court permanently closed.

"The children are so busy at play they have had no time to get into mischief," explains the police justice of the city.

These points are worth the thought of all interested in the business and civic betterment of their locality.

1. It is the responsibility of the entire community to maintain adequate recreation opportunities for all the citizens, and as early as possible these should be supported through public funds.

2. Even where recreational activities are being carried on under municipal direction, there is still need for the private organization of citizens in their neighborhoods to make the fullest use of the facilities provided and to make sure that what is being done

is meeting the deeper needs of the people of the neighborhood.

3. In every community of 8,000 or more population, there is need of a trained man or woman to give full time to thinking, planning, and working for the best possible use of the leisure hours of men, women and children.

4. Every new school built should have a certain minimum amount of space around it provided for the play of the children and an auditorium, preferably on the ground floor, suited for community uses.

5. In new real estate developments of five acres or more, just as part of the land is set aside for streets, similarly, not less than a tenth of the space ought to be set aside for play.

6. The purpose in training children and adults in the right use of leisure ought not to be merely to fill up the idle hours, but also to create an active, energetic, happy citizenship.

There are hundreds of cities throughout the country today which retard their own greatest development, as in the case of L., through not capitalizing this one asset of leisure, a factor which is always either adding or detracting from the health and happiness of every human being, as well as ever altering his value to his fellow-men.

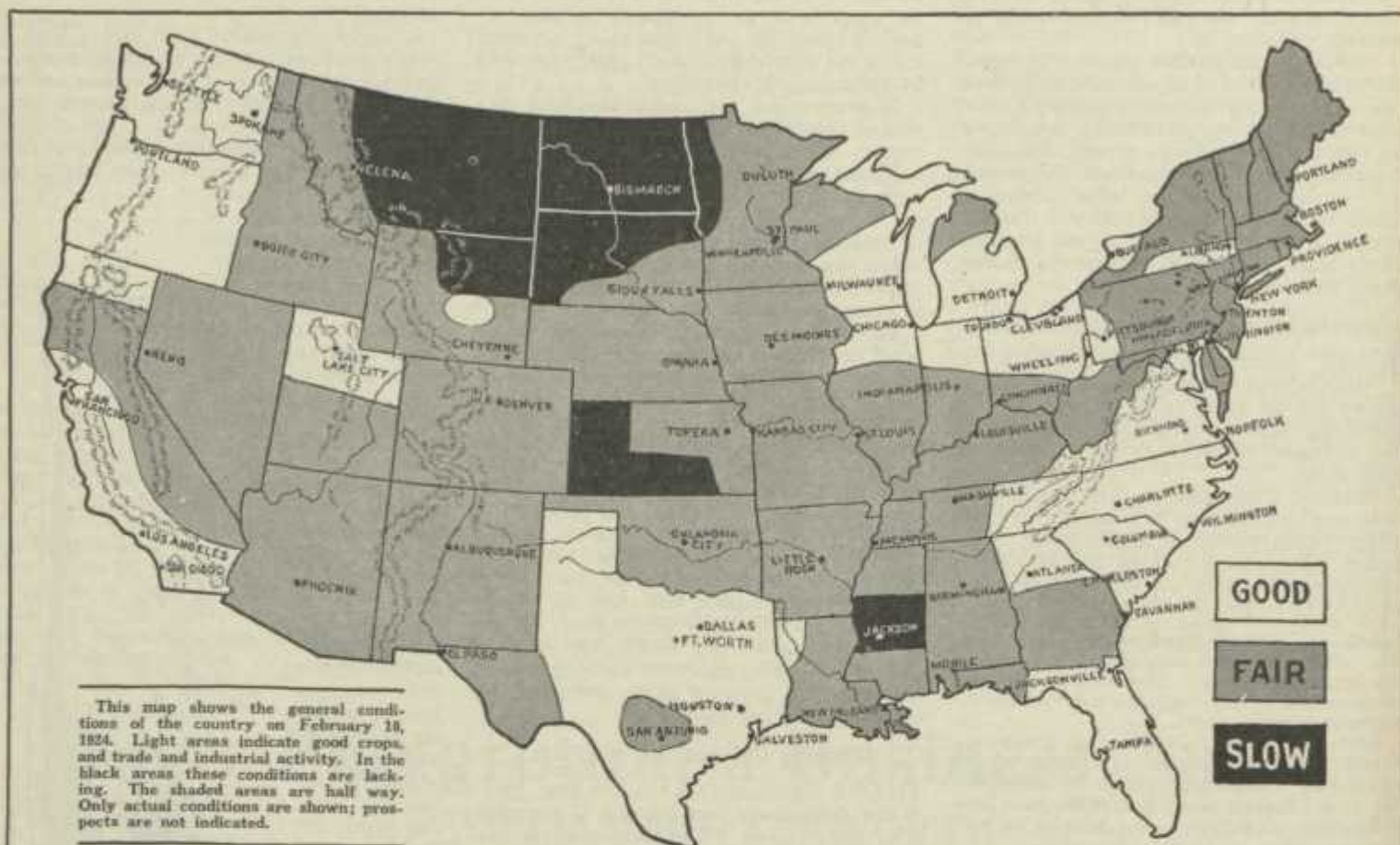


Illustrated by Fred'k J. Garner

The Map of the Nation's Business

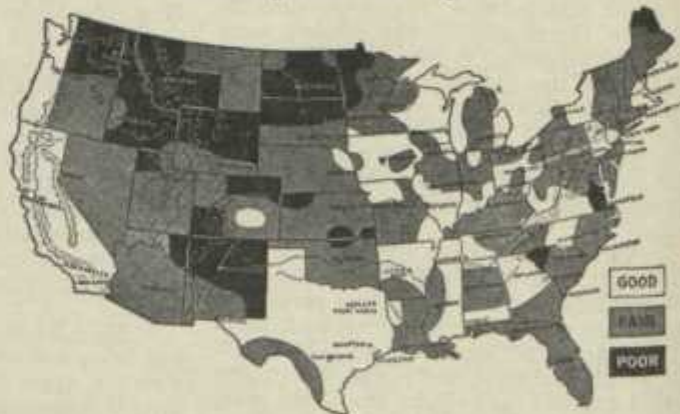
By FRANK GREENE

Managing Editor, "Bradstreet's"



The Business Map of Last Month

The Map of a Year Ago



TRADER in the elapsed portion of 1924 has run fairly true to form, that is, the business atmosphere as a whole has partaken of the cheerful tone visible on or before the first of the year. In most lines, indeed, distinct progress has been shown, but this must be taken with the reservation that there are enough unsatisfactory features visible to prevent the summarizing of the situation as unrelievedly favorable.

If a broad view is to be taken it may be said that financial lines have been generally cheerful, money has been in abundant supply and easy, and security markets have been active with prices tending higher. The foreign situation, too, has seemed to have become more cheerful; European securities have stiffened in price; exchange has advanced

from the very low levels of mid-January and our export trade has enlarged, mainly, however, in raw cotton.

Here at home it may be said that the construction trades, iron, steel, hardware, automobiles, petroleum, all kinds of building material and to a certain extent furniture, have either increased output or stiffened prices.

On the other hand what may be called the apparel trades, cottons, woolens, silks and, to a certain extent, footwear, have not responded as expected, and until well into February, caution and conservatism with price irregularity have governed the textiles.

One result has been that most centres report wholesale trade in these lines not as large as a year ago in January and the elapsed portion of February. That the construction

trades should be well situated without favorable ultimate reflection upon apparel lines seems improbable, but the fact remains that confident progress is as marked in the one as is hesitancy or indecision on the other.

Retail trade in seasonal goods which lagged all through last year's warm autumn and early winter were helped in January by more seasonable weather, but much advertising of "sales" was necessary to bring what is conceded to be a larger retail distribution than a year ago. Profits have been cut in consequence. Mail order and chain stores report a gain in January of over 10 per cent on the like month of 1923.

The statistics for January coming to hand have very generally confirmed the reports of expansion in most lines of industry. Com-

Tons of lead roll along every avenue



HOW much lead is in your automobile? In all the new motor vehicles built in a year, there are about 109,000,000 pounds of lead.

Today, in company with steel, glass, nickel, tin, copper, aluminum, leather and rubber in millions of motor cars, lead is inseparably linked with the social and industrial life of the nation. It is helping to carry approximately 7,500,000,000 passengers every year over plains and mountains, through cities and villages. Lead is in the truck that distributes the necessities and luxuries of life to you and your friends.

Where the lead is

Without leaving his seat the modern car owner turns a switch, and electric lights flood the dark road before him. He turns another button, presses a pedal, and his powerful motor hums merrily beneath the hood in front of him.

In making possible this picture, man has called upon the aid of lead. The storage battery that provides electric power for automobile lights, starter, and ignition is mostly lead. It consists of lead plates, every other one covered with litharge and the rest with red-lead. Both litharge and red-lead are obtained from metallic lead.

The next time you step into an automobile, remember that if it were not for lead-tin solder, the seams of the gasoline tank would leak. The same kind of solder seals the radiator that helps to keep your engine cool and holds in place the windings of wire in the generator that charges the lead storage battery.

Every time you turn a hard-rubber switch button on your instrument board you are touching something that contains lead. When you adjust the mass of wiring about your motor, fingers grasp its soft rubber insulation, which also has lead in it. The rubber tires, rubber top, and the rubber mat on the car step contain lead. The electric light bulbs are made of lead glass. Ground coats of hand-painted cars and light-colored finishing coats are sometimes white-lead.

Besides the lead that the car manufacturers

use in giving you a completed automobile or truck, we must add the amount of this metal which helps to refine the gasoline that feeds the engine. Litharge helps to produce more than 4,500,000,000 gallons of gasoline for the yearly consumption of motorists in this country.

Where you find the most lead

OF even greater importance, so far as tonnage goes, than the use of lead by the automobile manufacturer is the lead that you use in general painting. In one year approximately 350,000,000 pounds of white-lead are used on surfaces such as wood. For protection against the ravages of rust nearly 20,000,000 pounds of red-lead are applied to metal surfaces annually.

That record reflects the awakening of property owners to the necessity of paint protection. More of these owners than ever before believe today in the truth of the phrase, "Save the surface and you save all."

Save the surface and you save all.

Producers of lead products

Dutch Boy white-lead is the name of the pure white-lead made and sold by National Lead Company. On every keg of *Dutch Boy white-lead* is reproduced the picture of the Dutch Boy Painter shown below. This trade-mark guarantees a product of the highest quality.

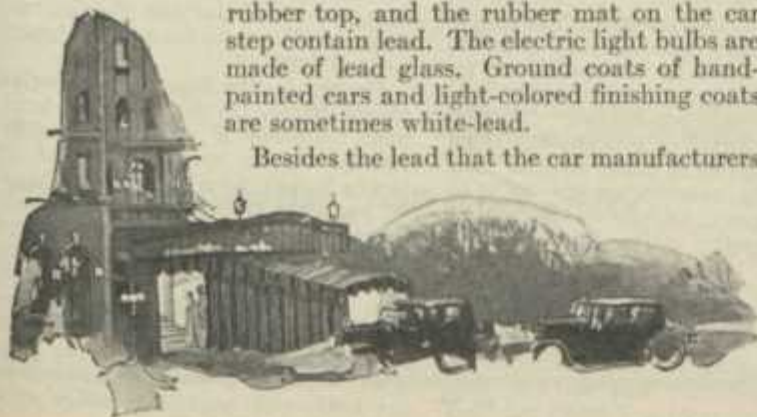
Dutch Boy products also include red-lead, linseed oil, flattening oil, babbitt metals, and solder. National Lead Company also makes lead products for practically every purpose to which lead can be put in art, industry, and daily life. If you want information regarding any particular use of lead, write to us.

If you wish to read further about this wonder metal, we can tell you of a number of interesting books on the subject. The latest and probably the most complete story of lead and its many uses is "Lead, the Precious Metal," published by the Century Co., New York. If you are unable to get it at your bookstore, write us or the publishers.



NATIONAL LEAD COMPANY

New York, 111 Broadway; Boston, 131 State St.; Buffalo, 116 Oak Street; Chicago, 900 West 18th Street; Cincinnati, 630 Freeman Avenue; Cleveland, 899 West Superior Avenue; St. Louis, 772 Chestnut Street; San Francisco, 485 California Street; Pittsburgh, National Lead & Oil Co. of Penna., 316 Fourth Avenue; Philadelphia, John T. Lewis & Bros. Company, 437 Chestnut Street.



modity prices have reflected the continuance of the good amount of stability noted in 1923, a very small drop in the price level being shown between January 1 and February 1, with most weakness manifested in the textiles and the provisions groups and most strength in hides and leather.

Farm products showed a slight gain as to breadstuffs, May wheat and corn being well up to the highest of the season. Weakness early in January of cotton and cotton goods more than offset the strength in wool in January, but cotton rose over 2 cents from the low point of the first month, and at present writing cotton goods are firmer.

In steel and iron, the history of the recent past has been one of increased buying of steel well into the second quarter of 1924; higher prices and better buying of pig iron and scrap and a very favorable Steel Corporation report of earnings for the last quarter of 1923. This was coupled with a raise in the rate of the extra dividend on the common stock and a gain in volume of output reflected in the first increase in the daily averages and in total quantity of production of iron furnaces to a point slightly above January last year and January, 1920.

The other non-ferrous metals are higher than they were, but copper did not hold its advance mainly because production has been expanded and because old policies as to marketing have been abrogated.

In the building-material trades, while orders were reported by lumber manufacturers to be smaller than late in 1923, though far better than a year ago, there has been a steady buying movement at consuming markets for building lumber, while furniture men and

automobile manufacturers bought freely of hardwood. Some idea of the tremendous scope of the country's building program may be had from preliminary January totals, which, coming from only 126 out of 176 cities usually reporting, show that the high January total of a year ago will probably be exceeded by 6 per cent, which would indicate a total expenditure planned of possibly \$205,000,000 in the first month of the present year.

The peak month last year was March, with \$377,831,286 as the value of permits issued. The mid-winter total above shown would seem to indicate that the building boom after five successive years of mounting aggregates is yet to witness new crests. If this proves true it would seem useless to talk of a reaction in trade which draws so much sustenance from that readiest of all ready-money industries—building.

The automobile trade continues the despair of some "economists" and also of many dealers in clothing, who say that the 4,000,000 autos with their "fixings," made in 1923, mean an expenditure of perhaps \$4,000,000,000, some of which might have gone into men's and women's clothing.

The writer, however, seems to recall that the bicycle industry was similarly accused a quarter of a century ago of taking trade away from men's and women's wear dealers.

As to the caution shown in buying of textiles, a few words may not be amiss as to just what is working in these lines. In cottons, hesitant buying of goods is blamed on buyers not taking for any but most urgent needs. Doubt as to getting prices asked for goods, noted ever since last August when the startling break and equally startling re-

covery in raw cotton occurred, has continued.

Of late a little expansion in takings of spring cotton has been noted. On the manufacturing side the complaint is that even present prices do not cover higher cotton costs. Curtailment has been visible for months in New England, and of late some southern mill men are quoted as saying they will keep their raw cotton unmanufactured rather than work it up into goods that will not return its cost.

In woollens, warm weather plus higher prices have not been helpful in the past season's campaign, and "sales" of winter-weight suits and overcoats have been features. Hence, the openings of men's wear woollens lately were awaited with great interest. Except for some novelties which are in demand, there were no important advances in prices.

One of the discordant notes in the current survey of trade is that revealed in the January total of failures, which shows the heaviest monthly total since March, 1922, and largest liabilities in any month since October, 1907.

Prospects of Government aid in diversifying crops in the Northwest and the reported declaration of the President in favor of a higher tariff on wheat have strengthened the tone of things in that section and some large markets there report spring buying rather better than a year ago. The prospect of the passage of the Mellon tax program is of course an aid to business generally.

The aid of the Federal Government has been enlisted in the matter of seeing that sound institutions in the Northwest and elsewhere are to be aided and a credit corporation with a capital of \$10,000,000 has been formed to operate in the Northwest.

Better Days Ahead for the Farmers

By ARCHER WALL DOUGLAS

AGRICULTURE came out of winter quarters just a trifle early in January, and so early garden truck from Texas across to the Atlantic Seaboard was badly hurt in some localities by frost and freezing as were citrus fruits in southern California, Louisiana and Florida. Meanwhile, there is much snow in the higher altitudes of the Rockies and the Sierras with consequent promise of abundance of water for irrigation this summer.

Growing wheat suffered from winter killing from the western lines of Oklahoma, Kansas and Nebraska, eastward through Illinois and Indiana. While the damage was severe, it was mostly in spots and, at this writing, most of the Winter Wheat Belt north of Texas is covered with a protective blanket of snow.

The most cheering feature about the general situation is the upward trend of prices of farm products, and the slow rise of the purchasing power of agricultural commodities, all due to the natural working of the laws of supply and demand. There are less sheep and cattle on the ranges than five years ago; and so prices are on the upgrade.

On the other hand, there were more hogs bred in 1923 than ever before in the history of the country, and their prices have suffered accordingly.

Enormous shipments to market indicate clearly that the farmers are liquidating their stock of hogs rather than feed them on high-priced corn. This in time will bring higher figures, as the supply decreases.

Wheat continues strong, though not very high in price, despite the competition from the Argentine and Australian crops which are

now coming on the market. This competition, however, is felt only in restricting exports. The quality of wheat raised in 1923 is not of high average grade, especially in some of the spring-wheat states, which tends to keep up the price of the marketable grain; so likewise in corn—there is about 10 per cent of the crop of last year which will never be gathered, because of being seriously damaged by late frost, and which will find its use in silos. Also there is a good export demand for corn at present; so corn is high.

Now there is nothing in sight to reduce the price in the immediate future of any of these staple farm products that I have cited, but rather the reverse. This is true likewise of cotton, for if the domestic consumption from August 1, 1923, to February 1, 1924, fell off, compared to the similar period of the previous twelve months, this loss was fully compensated by a corresponding increase in exports. So if the present rate of both foreign and domestic consumption continues, the real problem will be to make the supply fit the demand—always bearing in mind, however, that the "nigger in the woodpile" is the extent to which the consumer will go on paying for fabrics based on the present high price of cotton.

One way of solving this problem is for the manufacturers to take a smaller percentage of profit in the way of a lessened spread between the cost of production and their selling prices, that they may keep their mills well employed, rather than run on shortened time; and there is a possibility that it still may come to this.

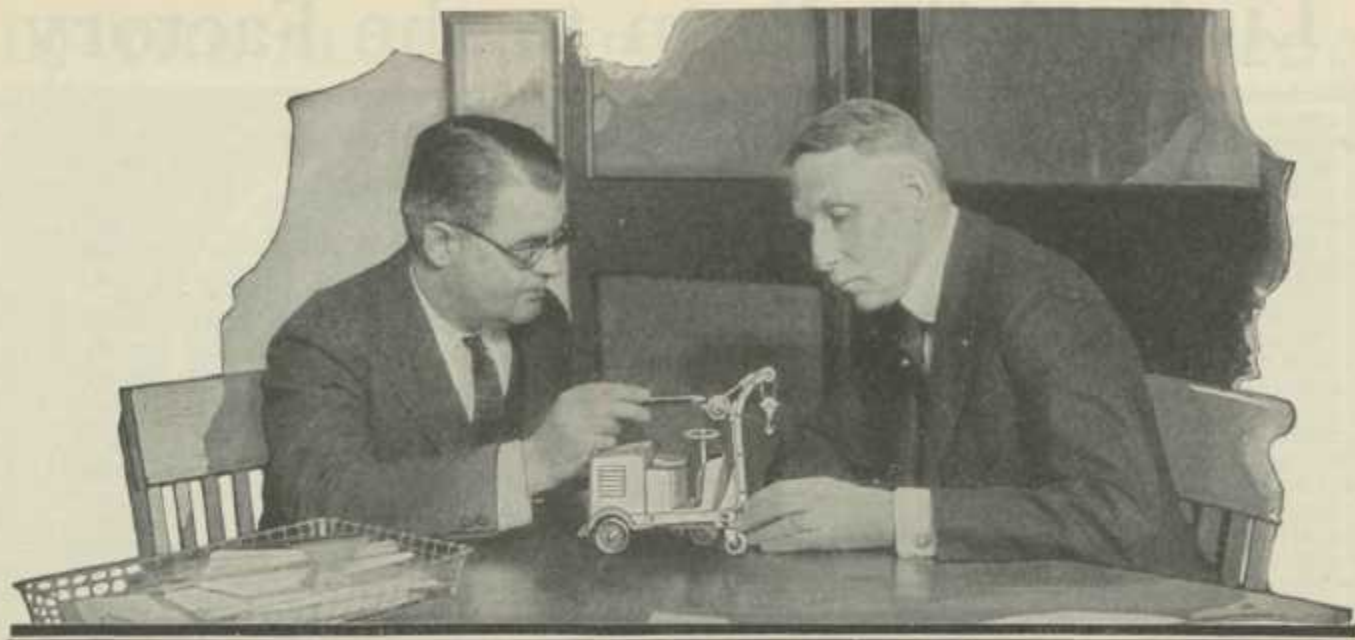
On the whole, the country is making some approach to the solution of that fundamental problem

of the relation of the price of farm products to those of fabricated materials, for there does not seem, at present, to be any reason why the prices of manufactured articles should show enhancement in value in the near future—save in such few commodities as cotton textiles, for in practically all lines, productive capacity is far in excess of any likely demand.

So true is this that prices were sustained last year only by the device of suiting output to demand. In grains we have had large yields almost uninterruptedly for a number of years; so that the sure cycle of an occasional poor harvest is not among the impossibilities of the situation.

The evening up of the prices of things agricultural and things industrial is a matter of slow evolution, but unless all signs fail, better days are ahead for the farming world, as prices of all commodities seek a more nearly common level.

Meanwhile, the business of distribution is gauged largely by the nature of local conditions. Business is extremely good in Texas because of the great volume of spending money brought by a cotton crop that is about 40 per cent of the total production of the entire country. It is quiet in the soft coal mining regions of Illinois and Indiana, where mines are on short time when not shut down. It is fairly good in the hog- and corn-raising sections of the Middle West, despite the low price of hogs. It is brisk in the great cities where building is most active and factories are fairly well employed, though this varies much in different industries.



"The Clark Duat is a mobile crane truck and tractor"

Here is the smallest industrial truck and tractor built. It is also a mobile crane. It turns around in a freight car. It cranes 2,000 pounds. It tows 7 to 10 tons or from 1 to 20 trailers.

Clark "Duat" is a general utility tructractor—gasoline powered—three wheel construction—short turning radius—standard automotive drive—easy to service—**works 24 hours a day.**

Factories, foundries, mills and all industrial plants will find the "Duat" the answer to many material handling problems.



Crane attached or detached in 60 sec. without use of tools.

Railroads can use the Clark "Duat" at stations and terminals, in machine shops, store and warehouses—**it saves time labor and money.**

You also can examine a miniature Duat in your private office—just check the coupon.

Use Coupon
to get data



CLARK TRUCTRACTOR COMPANY

Gasoline Industrial Vehicles

1127 DAYS AVENUE

BUCHANAN

MICHIGAN

CLARK TRUCTRACTOR COMPANY

1127 Days Avenue
Buchanan, Michigan

Please send me full details on Clark "Duat." Would like to see model ☐

Name _____

Title _____

Company _____

Street _____

City _____

State _____

Linking the Farm to the Factory

AMERICA has constructed a social order which has given amazing impetus to the expansion of the domestic market, with tremendous increases of our national earning and buying powers. The buying power in industry is one of the marvels of the economic history of the world. Railroad car loadings exceeding one million cars each week, paralleled by the new service of fifteen thousand motor trucks on the highways beside, show a buying power widely distributed, because you will agree with me that no such volume of the manifold things for human use and consumption could possibly be distributed if wealth and buying power were in the hands of a wealthy few—only when it is in the hands of millions and millions of consumers.

How has this tremendous volume of production been sustained? By American enterprise, resourcefulness, thrift, and inventiveness. Consider the wide range of labor-saving machinery developed at no release of workers to unemployment, at great increase of output—machines for wrapping packages, for mixing dough, for shaping cigars, for blowing bottles, for making buttonholes, for shoemaking, for mining coal, for charging great furnaces—machines for almost every purpose, specially trained workers to operate them.

In these recent years of highly specialized industry agriculture itself has not been unprogressive with its improved plows and reapers, threshers and tractors, separators and pumps and motors. When a Montana farm whose acreage allows the employment of tractors on a large scale plows 22 acres per man per day, it is adopting the methods of large scale production of industry. But, broadly speaking, the conditions of agriculture itself do not lend themselves so readily to the large scale production which is shifting industry from man-power to machine-power.

The automobile and the motor truck and the hard-surfaced highway have become essential factors in the security of our living standards and of the earning power of both farm and industry. It requires some study to see whether the farm is using the full measure of this new service.

It is evidence that the farm is not unappreciative of these modern agencies of transport when the milk supply of great cities like Cincinnati and Atlanta is now moved 90 per cent by motor trucks, as against 100 per cent by rail ten years ago. The farm does show itself responsive to the new service of inventive industry, at least in larger part, when the farm places five million autos in its work.

But when the farm has done this and when it has stimulated the 500,000 miles of improved highways which we have built in America in the last few years, it has made a capital investment which can be justified only by its ultimate earning contribution to the farm itself. Our highway expenditures have risen from a quarter of a billion dollars in 1914, to more than one billion in 1921 and almost the same in the successive years each of 1922 and 1923.

We have within ten years invested five billion dollars in building highways of this country, largely to serve the farm.

Is not the farm staggering under a load of

MAN CANNOT indefinitely expand his ability to eat, as he can expand his ability to use and enjoy things other than food. Mr. Barnes thinks that agriculture can broaden its markets by raising more raw materials for the factory.

What we now do along this line will be discussed by O. M. Kile, author of "The Farm Bureau Movement," in a later article—THE EDITOR.

By JULIUS H. BARNES

capital investment which will ultimately justify itself, but which in carrying now requires fortitude and endurance and thrift? Moreover, when we find that the farm investment in implements and machinery in ten years has risen also five billion dollars and that this seems to be exactly the increase in total farm indebtedness, we realize the load which the farm has assumed. Like any industry which has overbuilt itself for present income, agriculture has a load to carry until ultimate earnings relieve it of the pressure.

Now roads and automobiles and trucks and telephones, consolidated schools, and the service of farm direction—all these are ultimate earners, but they are also present-day expenses. The farm cannot readily adjust itself to this condition.

I don't want to weary you with figures, but figures picture a story and a meaning by comparison.

Turnover Rate Is Slow

THE FARM turnover to invested capital annually is 27 per cent of the investment in farming. The nearest industry that approaches that in slowness or smallness of turnover to invested capital is the banking industry, at 60 per cent. Then come railroads, at 71; mining at 129; construction, at 355; and general trade at 550 per cent turnover in a year on the invested capital.

That means that the farm cannot properly shrink or expand its earning turnover as rapidly as these other industries. And when conditions are against the farm, they feel it with peculiar effect. But it does not mean that the day is not coming when the farm will have back its measure of opportunity.

There is hope for the farm in one development that may follow the modern evolution in industry. The evolution which is shifting industry from so vital a reliance on large labor supplies to vast machine equipment and large-scale production is also stimulating the development of power to run these machines. This is typified most strikingly by the figures of electricity and its developing services. The two and a half billion kilowatts of 1900 increased each year so rapidly that in 1922 there were fifty billion kilowatt hours in the service of the electric industry, and it is forecast that in 1927 this figure will have mounted to one hundred billion.

With the increasing security in the transfer of this liquid power over long lines there may well be a tendency in industry to separate its units of industrial production in this country and thus to bring the market of large groups of industrial workers close to the

farm, with a short haul economy of marketing. That seems as probable as the tendency of any social evolution can be forecast. This tendency is yet too recent to be sure. It seems probable also that the farm itself, stimulated by short-haul markets with a secure buying power, will call upon this easily transported power for larger use in helping to lift farm life out of drudgery and into larger earnings.

But there is another phase of the relation of the farm to

industry. Can the consumption of the products of the farm expand materially as long as it is largely planned on a mouth and stomach basis? Is it a sound stimulant of expanding consumption of farm products when an "eat more wheat" campaign may lead only to an "eat less pork" result?

Does agriculture have to rest its future in the hope of expanding the individual stomach consumption? Cannot a large part of farm acreage be devoted to raising those things called for by this increase in industrial production devoted to supplying men with things now of common use but of which their fathers never dreamed? Can either inspiration or patient research find some product suitable for marketing into the needs of industry, rather than food consumption, which will lift ten, or twenty or forty million acres out of food competition, and thus relieve the price pressure on ordinary farm products as well? Is corn relatively stable, for instance, because it is a farm product partly used in industry rather than solely food for feed? Is it a step in the right direction when the Illinois farmers profitably grow soya beans, whose product goes into the processes of industry, and therefore benefits by the better price of industry?

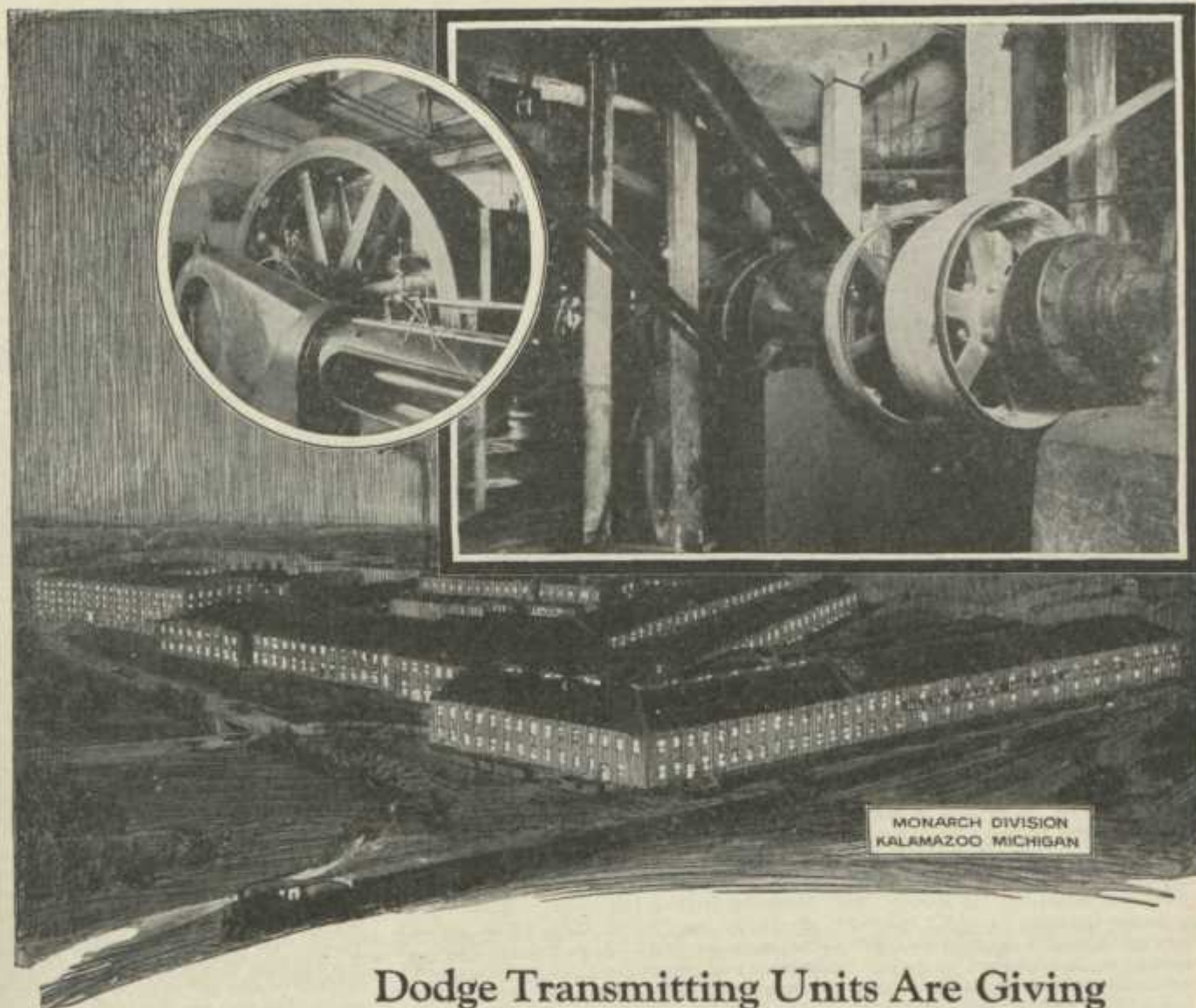
Must the farm figure that its only opportunity is in the competition in production of age-old foods? Must it compete with the ten-or-twenty-cent-a-bushel rye which the Russian Government seizes from its farmers and translates into competition in the German market?

Is there a real meaning behind the fact that flaxseed today is worth three dollars a bushel and wheat one dollar when twenty years ago they were both a dollar? Is it because flaxseed serves industry and wheat has only the outlet of the human stomach, unexpanded?

Agriculture is groping for all it can get of our own great and wealthy home market. It has tried to secure that market behind the protection of a tariff and with partial benefit. Is there some other way to get a home market on the vast scale which it has opened to industry? We have one hundred ten million people of the highest buying power in the world; in effect, forty-eight nations without a customs barrier which frontiers usually erect; one hundred ten million people with the narrowest lower fringe of relative poverty and the narrowest upper fringe of luxury classes demanding imported products. How can agriculture serve into that market in a way to secure its proper reward and by natural processes, not by law or legislation?

How can you reach America's vast buying power to the advantage of agriculture? Here is a question that may well challenge the ablest leadership within the farm ranks.

IN THE ALLIED PAPER MILLS, KALAMAZOO

Dodge Transmitting Units Are Giving
24-Hour Service

**Alex G. Gilman, Pres.
Allied Paper Mills, says:**

"Dependable power transmitting machinery is as necessary to the manufacture of paper as is dependable paper to the production of fine printed works. Power costs always have been an item for the careful consideration of the mill executives, and in this period of high material and labor costs and the necessity for maximum production, we must watch every leak, be it power or material. We develop around 9,000 horse power, operate 24 hours six days a week, and trouble in our engine rooms or on our power line would stand us heavy losses."

In the Monarch Division of the Allied Paper Mills at Kalamazoo, Michigan, Dodge pulleys, hangers, bearings and clutches, and rope drive have been rendering 24 hour service, six days a week for 14 years.

Throughout the extensive operating departments of the Allied Mills, Dodge equipment is giving the type of continuous service the business of paper

making demands. Dodge means power savings. Plants standardizing on Dodge rank on the plus side of the ledger in power actually delivered to production.

Five hundred local dealers distribute Dodge products on the immediate delivery basis. Trained engineers are always available for expert counsel on the special machinery demands of industry.

DODGE MANUFACTURING CORPORATION

General Offices: Mishawaka, Ind.

Factories: Mishawaka, Ind., and Oneida, N. Y.

DODGE

EVERYTHING FOR THE MECHANICAL TRANSMISSION OF

Branches: New York Philadelphia Pittsburgh Boston Cincinnati Newark Chicago
Atlanta Minneapolis St. Louis Houston Seattle San Francisco

Power

The Bus and Truck in Transportation

IN SPEAKING of transportation—one sympathetic system—I am particularly interested in the part that our motor cars, motor busses and motor trucks (that is, motorized highways) are going to play in the transportation of the country. That they are going to play a considerable part, I do not think anyone questions, but I doubt if anyone can tell today just in what respect they can be used to the most advantage. Claims are being made for them that are absurd in their extravagance, but no more absurd than the ineffective and inefficient use that is also being made of them by corporations and men engaged in other forms of transportation.

The motor car, bus and truck would not exist today in anything like the quantity they do unless there was a public demand for them. The demand is not necessarily competitive with either steam or electric railway service but can rather be made a help to that service if properly used. Practically every common carrier of any size is carrying some merchandise or doing some service which is not profitable.

As Elisha Lee, vice-president of the Pennsylvania Railroad System, puts it:

"Such profits as the railroads are able to make at all come practically altogether from the mass transportation of freight and passengers over at least considerable distances; in other words, from what we may term the 'wholesale' department of transportation. This is just the form of service in which experience shows that trucks cannot consistently earn real profits. On the other hand, those forms in which trucks can and do make money are almost invariably the strictly 'retail' forms in the rendering of which railroad operation practically always involves losses and sometimes very heavy ones."

There is another phase of this motor industry that I think the railroads sometimes overlook, and that is, that the full development of this new industry has opened up new sources of revenue to the older carriers. The Interstate Commerce Commission's report on the commodities of rail revenue of 1922 is authority for the statement that the steam railroads collected \$260,000,000 in freight haulage revenue last year due directly to the motor vehicle. That is a customer not to be despised.

It was but natural that friction and irritation developed in the early days when there was irresponsible competition with stabilized forms of transportation. It is, however, now generally admitted that the passenger car and motor truck are here to stay.

Views No Longer Differ Much

ALREADY most of the differences of opinion between motor transportation and steam and electric railway transportation have, I believe, been ironed out through that happy faculty of American business men of getting together and discovering again that they are reasonable human beings.

Through the National Automobile Chamber of Commerce, in cooperation with the American Association of State Highway Officials, the motor vehicle industry has advocated the reasonable regulation and taxation of motor vehicles through the adoption of the so-called "Uniform Vehicle Act." It subscribed to

FAIR PLAY for and from the motor truck industry is the keystone of Mr. White's article. It is an encouraging sign of that cooperation of all the branches of transportation which promises so much and which the recent conference of the National Chamber did so much to foster.—THE EDITOR.

By **WALTER C. WHITE**

President, The White Company

special forms of taxation, state as well as federal, which, although in conflict with the established theories of taxation affecting other industries, raised millions of dollars.

It has adopted and supports a plan for the financing of the cost of building and maintaining improved highways first espoused by Thos. H. McDonald, chief of the United States Bureau of Public Roads.

It has subscribed to and published a statement of principles to which it is pledged governing the operation of motor vehicles as common carriers.

These principles are the same as govern the operation of other public utilities and have gone far to establish a public appreciation of the fair attitude with which this subject is approached by the motor vehicle.

Who Should Operate Bus Lines?

FOR EXAMPLE: the motor bus carrying passengers for hire is, in its very nature, a monopoly, and as such should not be permitted to operate until it has applied for and secured a certificate of Public Convenience and Necessity from a fair state commission. It should be required to carry public liability insurance adequate to indemnify injury to persons and property. State regulatory commissions having control over such carriers should exercise the same powers that they exercise in regulating other forms of public utilities. Steam and electric railroads should be authorized by legislation to own and operate their own motor vehicles in selling transportation to the public.

I believe that the steam and electric railroads have, through their experience in marketing transportation, placed themselves in a position to be the logical operators of motor busses and motor trucks, supplementing their present service. This suggested authority to public utilities to operate their own motor vehicles is important. In England a Committee of the Ministry of Transport has suggested that Parliament refuse to permit railroads to operate motor vehicles over the public highways as tending to check the normal development of an expeditious and economical means of transportation. It is important that our steam and electric railroads should enter the field of motor transportation now, fit it in with its present facilities and direct its development in order the better to offer to the public the kind of service the public demands and is willing to pay for.

Conferences with other forms of public utilities have demonstrated that differences of opinion in regard to motor vehicle transportation have been more of a matter of form than of substance, excepting probably the one question of taxation. The motor industry has taken a definite stand on this question. It

contends that the cost of construction of improved highways for the use of the general public should be paid for out of funds raised by general taxation and that the entire annual budget for the maintenance of improved highways used by motor vehicles should be paid out of special taxes levied on the motor vehicle. In other words, the industry says to the state:

"If you will make a capital investment in improved highways for the benefit of all the people, we, as one class of users of that highway, will pay the operating expenses of that highway for the benefit of all the people."

If you subscribe to that principle, which has been very widely accepted by experts as eminently fair, any differences as to the manner of levying and collecting such taxes are mere matters of form.

Let me call your attention to the statement of Henry C. Wallace, Secretary of Agriculture, made before the Investment Bankers Association of America, October 29, 1923, reading:

Ever since 1917 when the first war measure was passed the Government has been collecting a tax on the selling price of automobiles, motorcycles, motor trucks, tires and automobile accessories and also a tax upon the use of passenger automobiles for hire. Up to and including the fiscal year ended June 30, 1923, the Federal Government collected \$589,012,021 in taxes from these particular sources. During the same period of time expenditures of the Federal Government on account of federal-aid highway and forest road construction together with all administrative outlays amounted to but \$264,782,216, or 45 per cent of the amount collected directly as taxes from the users of our roads. The automobile revenues of the Government for the last fiscal year ended June 30, 1923, were in round numbers, \$146,000,000, and the withdrawals from the Treasury for federal-aid highway purposes were approximately \$72,000,000, which indicates clearly that the owners and operators of motor vehicles on our highways are bearing more than double the entire federal expenditure for roads.

Of course the bulk of expenditures for highways is made by the states. The figures given by John E. Walker, former tax adviser to the United States Treasury, that "less than 5 1-3 cents of the general taxpayer's dollar in 1921 went into the highway" shows a surprisingly small percentage of the taxpayer's dollar spent for a facility which he daily uses and which is daily used for his benefit. Included in that 5 1-3 cents of the taxpayer's dollar are the special taxes levied against the motor vehicle.

Target for New Taxation

EVERY industry, particularly during its period of growing pains, feels that it is especially selected for special and burdensome taxes. I do not fear contradiction when I say that the railroads, both steam and electric, feel that as far as taxes are concerned they have never outgrown that period. I can assure you that the motor vehicle industry has the same feeling. We, as an industry, pay all the general taxes that other industries pay: State and federal income taxes, general property taxes, capital stock taxes, special business taxes and, in addition to these, general taxes, a special federal excise tax, state license fees, gasoline taxes and a considerable number of additional special local taxes.

In the year 1921 alone these special taxes

"THE PACIFIC ERA, DESTINED TO BE THE GREATEST, IS JUST AT THE DAWN"—ROOSEVELT



PORTS OF DESTINY

ACROSS the Pacific Ocean creeps the glow of dawn—the dawn of a great era and a vast commerce built upon the wants of 1,200,000,000 people.

The stir of great things runs through the Forenoon Lands, and the ports of the Pacific Northwest look out across a busy ocean to tremendous things beyond—

To China, with 400 million man power, the greatest reservoir of raw labor in the world; to Siberia, sitting immobile with the earth's greatest natural wealth in her lap; to Japan, already a great commercial power; to Alaska, a treasure house with open doors; to the myriad smaller states of the East, each a factor in the vast potential commerce of the Pacific Seas.

Already the Pacific Northwest has reached a dominating position in American trade on the Pacific.

Its great harbors are nearer than other American ports by several days sailing to Japan, to China, to the Philippines, to Siberia. They are nearer by rail to the principal cities of the Atlantic seaboard. They are the gateway to Alaska.

Swiftly the Pacific Northwest is

strengthening its strategic position as the principal gateway to the fast-growing commerce of the Pacific. In two decades exports and imports of the leading ports have increased five to ten times.

In the short space of two generations the Pacific Northwest's shipping industry has wrought amazing changes. Large and flourishing cities have arisen as though by magic about the deep and roomy harbors. Agriculture and industry, far inland, have felt the stimulus of broadening commerce.

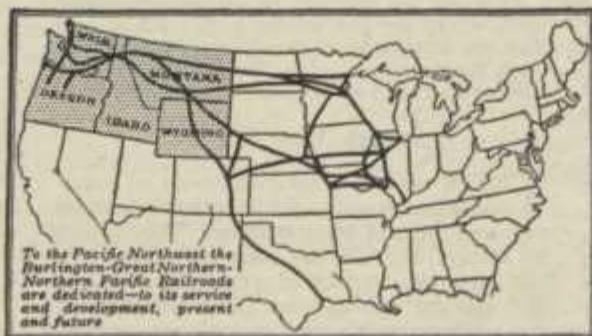
Yet, it is but the dawning. The Pacific Northwest,

with its almost limitless natural wealth, water power, agriculture, swiftly growing population, stands at the edge of a boundless commercial future. It has scarcely entered upon the era of greatness that must inevitably follow the development of Pacific commerce—not in the dim future, but within the next few decades.

From its harbors, with room to ride the navies of the world, back through all the region of Washington, Oregon, Idaho, Montana and Wyoming, is spreading the electric stimulus of world trade. Its effect is being felt upon every phase of life in the Pacific Northwest. The opportunities it is creating are for any man to grasp. Whatever your trade, your work, your interests, your means, these opportunities await you today in the Pacific Northwest.

Write for interesting booklet,
"The Western Gateway to World Trade"

Address: P. S. Eustis, Passenger Traffic Manager, Chicago, Burlington & Quincy R. R., Chicago, Ill.; A. B. Smith, Passenger Traffic Manager, Northern Pacific Ry., St. Paul, Minn.; A. J. Dickinson, Passenger Traffic Manager, Great Northern Ry., St. Paul, Minn.



The PACIFIC NORTHWEST

The Chicago Burlington & Quincy R.R.
The Northern Pacific Ry.
The Great Northern Ry.

The Land of Opportunity



When writing to the above railroads please mention the Nation's Business

amounted to \$337,500,000. During the same year of 1921 taxes levied against steam railroads amounted to \$277,154,940. Steam railroads charge into operating account their annual expenditures for maintenance of way and structures which in this same year amounted to \$756,413,691.

Electric railways paid \$92,033,000 in taxes and imposts in 1921. In addition they paid about \$101,000,000 for maintenance of way and structures, charging this sum to operating account.

By paying the cost of maintenance of the highways which it uses, the motor vehicle puts itself on an equality as to maintenance with the steam and electric railroads which paid for the maintenance of their own way and structures through direct charge to operation instead of by taxation.

I do not believe that a detailed comparison of the taxes paid by the various transportation agencies is of great consequence, but I do believe that the unmistakable trend of these tax burdens is of extreme importance. The Bureau of Railway Economics reports that until 1920 dividends paid by steam railroads exceeded taxes paid. For example, in 1913, taxes of \$127,725,809 as against cash dividends of \$322,300,406. In 1920 and in 1922 taxes exceeded dividends. Our company, which has not missed a dividend since its incorporation, has paid a larger sum in taxes for its right to do business than it has returned to its stockholders for the use of their money.

Again I say it appeals to me that a comparison of taxes paid is idle and that we are confronted by a much greater problem affecting each transportation agency, namely, just and fair taxes. I do not believe that this problem can be solved by one form of transportation advocating additional taxes on some other form of transportation, but I have a great deal of faith in the united efforts of all transportation agencies in fighting together against unfair taxes—unfair in kind, manner of collection or in amount.

Tax Question Small Factor

PERSONALLY, I have not been able to appreciate the importance of the tax question from a strictly competitive standpoint as far as the motor vehicle is concerned. In the first place, such an exceptionally small percentage of the motor vehicles operated as public utilities that the funds which were raised by such taxes are very insignificant indeed.

It has also been my opinion from what I have seen and heard about motor busses that people are willing to pay more for motor passenger service than, for example, street car passenger service. Any number of parallel lines exist where busses successfully charge double the street car rate. How can any tax levied on such busses, which is not confiscatory and therefore unconstitutional, materially affect that operation from a competitive standpoint?

If, for example, taxes could be loaded on to the motor truck so as to increase the hauling rates beyond what the motor truck customer could pay, what would be the result? Exactly what it is now—when users are dissatisfied with public carrier rates they buy and operate their own trucks.

No discussion of this taxation problem would be complete without considering the late report of the Joint Sub-Committee on Taxation of Transportation Agencies of the United States Chamber's Transportation Conference. This committee of business men recommends as a fair type of tax on public carriers, "the gross-net" tax proposed by the

New York State Tax Committee on Taxation and Retrenchment.

This tax would take the place of all special taxes on steam and electric railroads, state as well as federal. It would do away with injustices and uncertainties in taxation. It would be applied to motor vehicles operated as public utilities as rapidly as states enact legislation regulating such operators as common carriers.

Here is an opportunity for cooperation among transportation agencies that will advance the cause of each. The motor truck industry offers the steam and electric railroads this cooperation in relieving them from unjust taxes and charges and assisting them in obtaining the enactment of tax legislation fair to a utility serving the public in return for similar treatment for the motor vehicle. I believe that this is the proper manner of procedure as a matter of principle, and I believe it from a selfish standpoint, as the steam and electric railroads ought to be the motor truck manufacturers' largest customers.

Committee Conclusions Point Needs

I BELIEVE that the United States Chamber of Commerce Committee on Transportation has adopted a platform under which the various forms of transportation, railway, waterway and highway, can cooperate to the financial benefit of each, resulting in giving to the public a coordinated system of transportation. The following conclusions of the committee directly affect the subject we are considering.

The best interests of the public and rail, water and motor carriers lie in the cooperation between the various agencies of transportation rather than in wasteful competition.

The greatest opportunity for cooperation is at the point where the capacity of the railroads is most limited and expansion is difficult and costly; that is, in the terminal areas of our great cities.

Store-door delivery by motor transportation is the greatest contribution which can be made to the solution of the terminal problem.

Organized motor transport can also relieve the railroad from various forms of uneconomical service, such as switching between local stations and short-haul shipments within the terminal area.

It is to the interest of the public and the carriers that the economic limitations of each type of carrier be recognized, that the railroads be permitted to discontinue unprofitable service to which the motor is better suited and that the motor abandon its efforts to handle general traffic over excessive distances.

To insure to the public continuity and reliability of service, sound financial organization of motor transport is necessary as is public regulation of common-carrier motor service.

Passenger bus transport should be so regulated as to secure the best service to the public (rail lines can often advantageously extend or supplement their service by bus lines and any restrictions against such service should be abolished).

Branch Line Service

THESE are the recommendations of transportation experts, public-spirited business men and users of transportation. They preach no heresy. They are not even new. They simply state the results of experience. Steam and electric railways are daily proving out these principles in actual operation.

I am told that it is an acknowledged fact in railroad circles today that motor truck operation can be substituted for railroad operation in short-branch-line service, in trap-car work, in terminal and suburban distribution. In Cincinnati this has meant the release for a mainline movement of the railroad of 66,000 cars, the elimination of 300,000 switching cuts and the advancement of the freight movement 52 hours. What a saving in

money is meant by a few hours' saving in time of transportation is brought out in a preface to the article by Charles Pierce Burton:

"The value of the commodities constantly in transit is over one and a half billion dollars. If the average time in transit of all shipments could be reduced one day, a saving of approximately twenty million dollars in interest charges would result."

In the use of trucks and busses it is the service that counts. With trucks it is the time saved and also the saving in the cost of the handling charge, for every time a ton of freight is handled it costs money and for short-haul work it is both the time and handling that works in favor of motorized highways. With busses it is this service that counts and from what we have seen of it, if the service is given, the fare is a minor consideration.

The bus business in this country has developed mostly in intercity or interurban work. The reason for this, I believe, is due to the fact that most cities have street car service on its streets and there was not the demand for bus transportation that there was in the country. Then it is only very recently that many of the states have enacted franchise laws and quite a number of them have none as yet, so there was no protection for a bus operator.

Moreover, to put adequate service of busses onto a city street required a good deal more capital than the average bus operator had or could get to put into this kind of transportation with no franchise protection. Consequently, the busses started in the country where an operator with one or two busses could give service that did not previously exist. Then, as they made money, they expanded further.

In my opinion the bus has not as yet become generally a competitor of the electric railway, though there may be some individual instance or locality that looks that way.

Almost everybody likes individual transportation, and if he can afford it will have it. It is the touring car that in my opinion has been the active competitor and if all the busses in operation today were removed it would make very little difference in the number of people carried by the electric railway.

Win Patronage of Auto Owners

THOSE people would simply take their automobiles and, in my opinion, the electric railway by the proper use of the right kind of busses can get a large percentage of the individual automobile users to use busses. In the cities there is becoming increasing difficulty of traffic congestion and parking space.

There are several instances of high-class bus service that are paying and paying well without showing any influence at all on the electric street cars. In other words, the right kind of service is getting people to ride in busses instead of in their own automobiles. To some extent this is a new problem and needs intelligent study and sympathetic handling. It seems to me to be entirely wrong for the transportation engineers of some of these public utilities to take the position that they are going to put on busses but not expect them to pay. I have been told that by men representing two or three different corporations.

In the early days of the bus business men with little money and no transportation experience made their own living and paid for their busses inside of a year, and it seems to me there must be something wrong in the mental attitude of a trained transportation engineer who says he does not expect to be able to make busses pay.



Big Business Endorses the Burroughs Calculator

Satisfactory service, small purchase price, and low cost of upkeep are the three outstanding reasons why Big Business so enthusiastically endorses the Burroughs Calculator.

For instance, Deere & Company, Moline, Ill., say:

"Eleven years ago we installed our first Burroughs Calculator. This machine is still in excellent condition. Since that time we have increased that number to 49 and we believe this to be very conclusive proof of our faith in Burroughs Machines."

And the makers of Queen Quality Shoes say:

"We use Burroughs Calculators because

they do our work satisfactorily at a much lower initial investment than other machines of similar style."

Many others, including the Pennsylvania Lines, Standard Oil, New York Central Lines, General Electric, United States Steel, Metropolitan Life, Winchester Arms, Gillette Safety Razor, Royal Typewriter, John Wanamaker, Southern Pacific Railroad, Boston & Maine Railroad, Waltham Watch Company—all these and thousands of others prefer Burroughs Calculators for all kinds of figure work.

Investigate the many ways in which the Burroughs Calculator will reduce your cost of handling figures.

If you're located in one of the more than 200 cities where there is a Burroughs office, phone us. Otherwise, ask your banker for the address. Or, if you prefer, simply sign the coupon below and we will send complete information.

Burroughs



Burroughs
Adding
Machine Co.,
6042 Second Blvd.
Detroit, Michigan

Please tell us how Burroughs Calculators will effect economies in our figure work.

Name _____
Business _____
Address _____

Vote for Men Who Save You Money

THE AMERICAN public is today taking a keener interest in taxation than it has at any time since the Boston Tea Party. It revolted once against an abuse of the taxing power when that power was distant, unintelligent and unsympathetic.

Today it is resenting a lack of sympathy and understanding, not across an ocean, not in a distant land, but close at hand among its own elected representatives.

There is a better chance today than at any time in the last half century to call for a sharp and clear division between that small minority in our midst which is always active in the effort to increase taxes and the vast majority of hard-working, tax-paying Americans who are beginning to see that government extravagance is a menace to themselves, their homes and their country.

The instant response that greeted Secretary Mellon's proposal to reduce federal taxes had deep significance. It meant that the people of the United States are growing restive under their tax burden.

It's Up to the Vote Seeker

WHEN taxes can claim the front pages of the nation's press; when the mails are filled with letters of protest from the average easy-going citizen; when taxes are discussed on the street and in the home by the worker, the business man and the householder; then it is time for the public officeholder and the lawmaker to walk softly and carry a pruning knife.

The average man is more concerned about results than about causes. He is more interested in the airplane that he sees skimming the clouds than in the principles of the internal combustion engine which makes flight possible. He is more sensitive about high rents and high prices than he is about the underlying reasons which caused them to rise.

It is all the more remarkable, therefore, that in casting about him for some reduction in the cost of his living, the average man has come to the conclusion that one of the ways to reduce his own living costs is to secure a reduction in the cost of his Government.

We can be certain that his conclusion would never have become general and the public interest in taxes would never have reached its present feverish state without some outstanding reason. That reason is to be found in the fact that today the American nation is loaded down with a tax burden greater in amount than that ever borne by any other single nation since history began.

Only one country can compare with the United States in the amount of taxes collected from its people. That country is England.

In the year 1921, in which taxes reached their peak in the United States, the taxes collected in the United States by the Federal Government totalled roughly \$4,900,000,000. The corresponding national taxes in England, at par of exchange, amounted to approximately \$5,020,000,000.

The local taxes collected here amounted to

THIS is the third of a series of articles by Mr. Pierson on the menace of growing taxes, more particularly those imposed by the states and cities. The Federal Government is heading toward a lightening of the tax burden.

But what hope is there for economy and lessened government costs in city and state? It is less easy to organize the demand for their reduction.

Mr. Pierson sees little hope of lowering them unless business organizations and communities choose for office only those pledged to economy.—THE EDITOR.

By LEWIS E. PIERSON

Chairman of the Board, Irving Bank-Columbia Trust Company

\$3,585,000,000, while the corresponding local taxes in England, according to the National Industrial Conference Board estimate, were only \$885,000,000.

Thus the total taxation in the two countries compared about as follows: The United States collected for all purposes \$8,485,000,000; the United Kingdom collected for all purposes only \$5,905,000,000.

Although state and local taxes were greater throughout the United States in 1922 than in 1921, the revenues of the Federal Government fell off more than a billion and a half in 1922. Taking the lower figures of 1922 for the basis of our conclusions, as the latest available, some interesting and disturbing facts are revealed if we compare our national income and our government expenses.

Out of a national income of \$58,000,000,000 the United States in 1922 took more than \$7,000,000,000 for taxes. Out of this total tax \$2,900,000,000 was taken for federal taxes; nearly \$850,000,000 was taken in taxes by the forty-eight states; and \$3,300,000,000 was taken for city and local taxes.

Combining all the taxes on the American people, it follows from the figures just cited that 12 per cent of every dollar earned in the United States in 1922 was devoted to the payment of some kind of taxes.

One can imagine what indignant protests would arise were these taxes to be taken out of the earnings at their source.

Twelve Cents Out of Your Dollar

SUPPOSE, for instance, that when the farmer received a thousand dollars for his crop, he were immediately compelled to turn in \$120 to the Government.

Suppose that the clerk, when he drew his monthly salary of \$200, were forced to dispatch \$24 each month to the Government. Suppose that the small merchant, the mechanic and the stenographer were forced to turn in to the Government \$12 out of every \$100 they earned as fast as they earned it. What an overwhelming roar of protest would arise from every town and hamlet in the country?

The only reason that the nation did not rise against its tax burden long ago is because the larger part of all taxes is indirect. But indirectly the diversion of the worker's earnings to the Government, in the manner just described, is taking place.

The present universal interest in tax reduction is evidence that the American people are beginning to understand this fact. They are beginning to realize that high taxes are at the root of many of the matters which are causing them the greatest anxiety.

There is no more urgent problem before the American people than that presented by the increase in rents throughout the country. So long as there are fewer houses than there are people who want them, rents will remain high. And when we seek the reason for the housing shortage, we find state and national taxes as large contributing factors.

Taxes on land have increased the cost of the property on which future houses can be built. Taxes on the stone quarry and on the rail-

roads have increased the cost of the foundations for a new home. Taxes on the lumberman, and on the brick manufacturer have increased the cost of the floors and walls. Taxes on steel and iron have increased the cost of the metal going into the house, from the carpenter's hammer and nails to the wire mesh in the partitions. Taxes on the manufacturer of asbestos and slate tiles have increased the cost of the roof. Taxes on the manufacturer of plumbing and electrical fixtures have increased the cost of the interior.

And whether the man who occupies the house purchases it or rents it, he must pay not only for the actual labor and material in the building, but also for an invisible but expensive addition made of government taxes.

Hurts Where You Don't See It

THE LABOR that goes directly into the house must be paid for; and the cost of that labor is increased by the taxes which the carpenter, the mason, the plasterer and the plumber are indirectly compelled to pay in the cost of the things which they buy with their wages. It is well to remember that labor itself is in the grip of the same vicious circle of high taxes, high rents and high cost of living.

Thus, when the workman buys his food at the corner store, he pays in the price of his food for some of the taxes which have been laid upon the grocer. When he purchases a suit of clothes, he helps to absorb the amount which the tailor is supposed to pay in rent and taxes. When he buys his cigar or cigarette, he not only pays the stamp tax on the tobacco itself, but also helps the dealer to pay the taxes on his store.

In addition to the taxes which he pays to cover the retailer's rent and taxes, he also accepts and pays as part of the price of everything he purchases, a large share of all federal, state and city taxes levied upon the manufacturer and the distributor.

It is true that the high cost of living results from a multitude of factors in addition to taxation. But somewhere and somehow every dollar of the billions which the nation pays in government taxes tends to increase the price of the commodities of commerce and is consequently reflected in living costs.

Our present high surtax rates are diverting capital away from industry and into tax-

The final Error

Practically every business man has committed the Final Error. Practically every organization can charge losses to it. For the Final Error is this: forwarding expensive catalogues and booklets "under separate cover."



"Under Separate Cover" probably the most expensive phrase American industry has ever used

It IS an error to devote the time and resources of your organization to producing a catalogue—to spare no expense on illustrations, engravings, printing—to devote time and money to making prospects ASK for it—and then to send it "under separate cover."

Du-Plex and Mon-O-Post Envelopes provide a means of mailing an intimate, personal sales letter AND your catalogue under the SAME cover and at no greater postage expense. They provide two compartments—one for second,

third or fourth class mail matter and one for your first class personal letter.

Printed matter and letter arrive at the same time. Your chances of making a sale are increased. You save your time and the mail room's time. You save mailing expense and absolutely eliminate loss of your catalogue.

Why not begin to check the "under separate cover" habit in your business today. As a preliminary, write for an eye-opening booklet, "Suppose This Were Your Catalogue."



Both Together, Sir!

Du-Plex Envelopes, in stock sizes and in average quantities, are sold by many leading stationers. If you cannot secure them locally write direct to "Mailing Information Headquarters."

Du-Plex Envelopes are used for mailing catalogues, booklets, photographs, blueprints, samples and merchandise when accompanied by letter or invoice—for every combination mailing purpose.

DU-PLEX ENVELOPE CORPORATION
363 SOUTH SIXTH STREET, QUINCY, ILLINOIS

"Mailing Information Headquarters"
Twenty-three Branches in Metropolitan Centers

Du-Plex
2-in-1
ENVELOPES

Pat. U. S. A. May 20, 1915, Oct. 5, 1923
Pat. Canada Sept. 30, 1915. Other Pat. Pending

COLUMBIAN
(MON-O-POST)
TWO COMPARTMENT
ENVELOPES

Patented July 19, 1921
Other Pat. Pending

FOR MORE SALES THROUGH THE MAILS

When writing to DU-PLEX ENVELOPE CORPORATION please mention the Nation's Business

exempt bonds. Instead of creating new enterprises to follow the splendid examples set by the automobile and other industries which are giving employment to millions of American workmen, capital today is being directed into tax-exempt securities. A man with money to invest, if he has a large income, can get a better return for his money in tax-exempt bonds than he can by investing in an ordinary business venture.

Secretary Mellon in a recent interview instanced a number of specific cases where prospective investors in coal mines, in factories and in apartment houses had abandoned these projects because they found their profits would be less after taxes had been deducted than the return they could secure by investing their money in tax-free securities.

The net effect upon the workers in the United States, therefore, is that their Government is not only making them pay excessive prices for everything that they buy with their wages, but, in addition, by imposts on industry is making present jobs less secure and future jobs less certain.

That average citizen is paying two months' rent each year, or, on an average, \$5.61 out of every hundred dollars he earns, to cover the expenses of his city government.

He is paying in the cost of everything he buys, \$1.43 out of every hundred dollars he earns to defray the expenses of his state government. He is contributing in his income tax, in the cost of his food and clothes, his necessities and his recreations, \$4.96 out of every hundred dollars he earns to pay the expenses of his National Government.

He is paying as indicated a total of \$12 for taxes out of every hundred he earns. Over and above this he is in debt on behalf of his Government for his proportionate share of all government debts, which today total \$32,000,000,000. His share of this debt averages about \$780.

But this is only one side of the picture.

Not only does Government take a substantial part of the American citizen's earnings, but in addition it is endangering his earning power by the handicaps it imposes on industry and business.

Loss to Everybody

SHOULD those industries lose ground or falter under the strain of high taxes, the earning power of every man in industry, from the humblest clerk to the highest officer, must suffer a corresponding loss.

We have been fortunate thus far, but we should not presume upon that good fortune. We should not delude ourselves with the belief that, because for a time we have been more fortunate than other nations, extravagance and high taxes can be indefinitely continued.

The facts and the consequences of the nation's tax burden are reasonably clear. They represent a problem which the nation must face. And the inevitable questions arise: What can we do about it? How can we avoid the perils that lie in a continuance of excessive taxation?

Of one thing we may be sure. There is no certain or easy road out of the morass of taxation and debt into which the nation has wandered.

We must reduce our taxes, and we must reduce our debts. The only way to reduce our taxes

is to reduce our governmental expenditures, and the only way to decrease our debts is to pay off each year more than we borrow.

When we cast about us for the means of accomplishing these results, we are immediately confronted with the fact that the private citizen and taxpayer has no direct control over government finances.

Whatever remedies are to be applied must be applied by government officials and elected representatives in Congress, in the state legislatures and in municipal councils and boards of aldermen. There is an all-too-common impression—an impression with which the average citizen consoles himself for government failings—that the politician alone is responsible for public extravagance.

It may be true that the politician writes the tax laws and makes the appropriations; but it is equally true that in exercising his official powers, the elected representative is always eager to satisfy the people who elected him. The politician does not indulge in extravagance out of perversity. He has learned by long experience that economy usually wins him perfunctory approval and costs him votes.

Good Managers Not Given Votes

CAST back over the Presidents, the governors and the mayors who have distinguished themselves by vetoing appropriations, thinning out the staff of public employees and practicing real economy! How many of these have been reelected? The public, which has benefited, has been strangely forgetful on election day, while the tax-eaters who suffered have retaliated at the polls.

The truth of the matter is that in the past the great American public has felt its taxes so lightly that many other qualities have seemed more desirable in a public officer than the ability to keep expenses within reason.

If some way can be found to assure the politician that economy means votes, if he can be convinced that what the public wants is retrenchment, he will be the first to denounce extravagance and to prove himself a champion of economy.

With a realization of these facts which lie at the very foundation of any movement toward lower taxes, it is possible to lay down a program which would result in actual accomplishment.

In the first place the American people can agree on two definite pledges to exact from every candidate for public office.

The first pledge should be a promise that if

elected, the candidate will not approve or vote for any increase in the public debt and that any debt contracted by city, state or nation shall not exceed 75 per cent of the amount of government indebtedness retired within the fiscal year.

The second pledge should be a promise that if elected, the candidate will not vote for or approve any increase in the activities of Government, or any increase in government payrolls other than that required by the natural growth of ordinary and necessary government functions.

These are the basic principles which must underlie any real endeavor to grapple with our tax problem. Once they are adopted by the public and accepted by public officers, we can trust our elected officials to work out all necessary details.

The machinery is available with which to do this much, but it is from this point that the real work begins. It is to the primaries, therefore, that the taxpayer must turn for the first step in securing relief. He will have opportunity to elect someone who represents his desire for lower taxes.

Leadership can be provided to enable the voter to distinguish between those who are working for and those who are working against him. Under such leadership the American public can be marshalled to express their demand for lower taxes. Before their united strength the small political advantage that the politician finds in extravagance will fade like mist before the sunshine.

Certainly the reward that lies ahead of us for prompt and intelligent action in our present tax situation should inspire men in every rank of life to give themselves wholeheartedly to the effort to bring economy and intelligence into government finances.

We cannot remove this drag upon our progress by merely talking about it. We cannot prevent taxes for increasing merely by complaints and resolutions. But we can accomplish definite results by determined, intelligent and continuing opposition to any public officer who will not join in the effort to reduce taxation.

Benefits Come Thick and Fast

WITH taxation on labor and on capital reduced, the processes of industry and commerce will be quickened.

Real impetus will be given to the creation of new industries and the extension of existing business.

As taxes are reduced, prices will begin to fall.

Not only will labor receive assurance of continued employment, but the wage-earner's dollar will be able to purchase more.

Added inducement will be given to capital to invest in the construction of new houses and factories.

Money formerly handed over to the Government in taxes, will be used to raise the standard of living in every home.

New demands will be created for the commodities of commerce, and instead of finding itself in a vicious circle where taxes increase prices and prices increase taxes, the nation can reverse this process. For it is evident that when the Government is compelled to pay more for everything it must raise taxes more to meet the new rise. When the Government begins to cut taxes, it will also help to decrease the cost of things its taxes buy.



LYON STEEL SHELVING



Its Simplicity Matches its Durability

According to users, simplicity is one of the most important advantages of Lyon Steel Shelving. It is easy to erect. Can be adapted to any stores requirement. Added to without trouble. Taken down and re-assembled without skilled help for all parts are standard—are interchangeable.

Special features of construction and design developed after thirty years specializing in steel shelving, give

added strength and enable you to store more goods in less space.

For many of our customers Lyon Engineers have worked out surprising storage economies. They will be glad to present to you, in blue print form, their solution of your stores problem—and to co-operate with you in every possible way. Simply write us direct or the branch nearest you.

Lyon Metallic Manufacturing Company Aurora / Illinois

161 Devonshire St., Boston, Mass.
Canadian Pacific Bldg., New York, N. Y.

Bulletin Bldg., Philadelphia, Pa.
Engineers' Bldg., Cleveland, Ohio

Merchants' Bank Bldg., Indianapolis, Ind.
F. W. Braun Bldg., Los Angeles, Cal.

Oliver Bldg., Pittsburg, Pa.
61 South Ave., Rochester, N. Y.

230 E. Ohio St., Chicago, Ill.
Penobscot Bldg., Detroit, Mich.

Authorized Agents in Other Principal Cities



for every storage need

Assembling Regional Opinion

TO PERFECT the contact with community opinion on questions that affect national industry, so that the Chamber may more flexibly and completely prove itself a great agency of team play with Government in all its aspects and in the interest of national as well as individual welfare."

That was the way Julius H. Barnes, president of the Chamber of Commerce of the United States, defined the purposes of the decentralization of the Chamber as expressed in the regional meetings at Philadelphia, Chicago, New Orleans and San Francisco.

For the first time the Chamber, representing as it does some 700,000 business men, has invited into conference those of its members who live in one section of the country to consider questions of national import as they affect and are affected by that section.

Problems Call for Judgment

WHAT some of those questions were, and how they must be faced, were thus outlined by President Barnes, as the spokesman for the Chamber at these various meetings:

On questions such as the national budget; a fairer treatment of transportation agencies in our own intelligent self-interest; tax revision, which demands that war taxes be lifted under peace conditions and so as to stimulate the flow of new capital from the annual accretion of large incomes into industry; opposition to the bonus, on not only economic, but on moral ground, which the maturer judgment of the service men will recognize in years to come; these and other national questions require a great agency of interpretation of business conviction.

There is so much to do in industry. . . . We have accumulated a wealth of exact knowledge based on experience until today invention follows invention so fast and is so quickly put to practical human service that industry has become vast and complex and delicate. It is as never before so dependent upon capital and credit which Government may touch with great injury and disaster if not informed by those whose very business life depends on sound observance of economic law, that the United States Chamber of Commerce, resting on other organizations like it, must be called into service before industry shrinks and unemployment enters the American home.

We cannot honestly claim superiority of judgment, but we can claim an intimate knowledge of the great working of the business tides. And we can help call into play the knowledge and experience of leaders in business whose accomplishments justify the trust and confidence reposed in them. They can be called into effective team play with the great body of honest-minded men in Government itself.

In this regional meeting is a step in quickening the methods by which the Chamber of Commerce of the United States itself may facilitate the discussion of national questions and the collection of public opinion crystallized after discussion and study. The Chamber of Commerce was founded on the invitation of a President of the United States to constitute a single voice in the national capital for American commerce and industry. It had first to erect a reputation for dependability, accuracy, trustworthiness, courage and independence. It is beginning to realize on the tradition created thus in its relatively short existence. It is not an overstatement to claim that it has acquired a proper influence as an agency of honest American business which possesses the qualities that entitle it to confidence and trust.

It may claim, for instance, that it is demonstrating a field of service in joint cooperation with farm organizations which will tend to

By a Member of the Staff

mutual cooperation with agriculture in its rightful objectives.

It may hope that some day it may cooperate towards rightful objectives also with labor, intelligently led, and with a following that will some day appreciate that the security of American earnings and American living standards rest upon the recognition by both employer and employee of certain great fundamental laws, simply stated thus:

The stimulation of production by labor-saving machinery.

The fallacy of restriction of effort or output.

Fairness and soundness of relative compensation which rewards the superior worker, a recognition that these lead not to unemployment, but to stimulated, enlarged, healthful employment, and the creation of more and more things of common use to flow into the workers' homes of America, as into all American homes.

When the day comes that there is an accord on the fundamental laws which make interests really mutual and not merely lip statement, then in that day the coordinated influence of these agencies, collecting the informed public opinion from the various fields of industry, agriculture and labor, may properly be greatly influential in supporting and strengthening the vast majority of sane and well-intentioned public servants against the spectacular utterances and activities of the so-called radical group—fortunately always small in number and restricted in influence in a people of a general high level of intelligence and information such as America has a right to be esteemed.

Meanwhile, in the field of industry and commerce the Chamber of Commerce of the United States has constructed with its thirteen hundred underlying organizations a great web of contact with every section of America and every line of industry; and the crystallized public opinion expressed through its machinery of referendum and resolutions may be seriously considered as flexible expressions of public sentiment entitled to sober consideration. That this method of arriving at public opinion and presenting it courageously and persistently does effect results, and does run true with the majority opinion of men elected to public office, is shown by the adoption of national policies on national questions running in substantial accord with the public expressions of the Chamber and its members. There is much of encouragement and little of discouragement in a survey of the accomplishments of twelve years of business representation.

No Set Programs

THE FIRST of the meetings was held at Philadelphia on January 17 and 18; then followed the gatherings at Chicago on January 21 and 22, at New Orleans on January 24 and 25, and at San Francisco on January 29 and 30.

There was no uniformity of program with this exception: that three subjects were common to all four meetings—transportation, taxation and immigration. Nor were the discussions of these three subjects led by the same men at all meetings. George A. Post did talk of transportation at both Philadelphia and Chicago; but in Philadelphia he was followed by Samuel Rea, of the Pennsylvania; and in Chicago the succeeding speaker on the subject was Carl Gray, of the Union Pacific.

THE NATION'S BUSINESS asked John H. Fahey, a former president of the Chamber, and one who has watched and aided it in its growth from the beginning, to telegraph to us his impressions of the regional meetings, more particularly as they discussed the transportation feature. His answer comes to us by wire from Kansas City as follows:

The outstanding impression of the divisional

meetings as regards transportation was the deep interest manifested by those present.

Apparently a recognition by the business community, forced upon them by the transportation shortages of 1922, that transportation policy is a matter of vital concern to every business man, that it is no longer to be regarded as a technical specialty but as one of the important underlying elements of each business.

At the divisional meetings there were submitted as the basis of discussion the reports of the Transportation Conference held under the auspices of the National Chamber early in January, 1924, following extensive preliminary studies by six special committees covering a period of some ten months. The reports of the Transportation Conference, assembling as they do in simple form devoid of unnecessary complexities, much of the information which the average business man will want in forming his opinions of these important questions, were considered by the divisional meetings, all of which recommended to the Board of Directors that these reports be referred to a special committee of the National Chamber with a view to referendum at an early date.

Success in Transportation

IT WAS brought out clearly that the Transportation Conference, while called by direction of the Board of Directors of the National Chamber, was intended as a wider representative gathering, including strong agricultural and labor elements not members of the Chamber. Its report was, however, recognized by each divisional meeting as containing proposals of the greatest importance to the sound development of the national transportation system and particularly suitable for consideration by referendum.

The several divisional meetings besides uniting in favor of measures to make the voice of the National Chamber effective on a general transportation program through the process of referendum, each urged particular steps of special interest to its own division. For example, the eastern and western divisions pointed out the importance of "permissive federal incorporation of railroads, supplementary legislation to perfect the consolidation provisions of the Transportation Act, store-door delivery (particularly by motor vehicle), and a comprehensive national waterway survey by the army engineers with a schedule of priorities." In these proposals the divisional meetings evidenced their paramount interest in adequate transportation development to meet the ever increasing traffic demand, together with a better coordination and cooperation of all kinds of transportation agencies to secure the most effective national transportation system. The western division also specially urged that there should be no withdrawal from the principles embodied in the Transportation Act, urged further prompt attention to the subject of railway labor relations and recommended revision of the laws for federal road aid to facilitate completion of transcontinental highways through inter-mountain and semi-desert states.

The northern and southern central divisions besides recognizing the thoroughgoing character of the preliminary work of the Transportation Conference and joining in the recommendations of the other divisions that steps be taken to submit the reports to a special committee of the National Chamber with a view to referendum at an early date, united in urging support for an active program of waterway improvement, with power development and flood control as outlined by President Coolidge in his annual message to Congress. Representatives of certain localities of classes of shippers in these divisions offered resolutions at Chicago and New Orleans expressing opposition to certain features of the Transportation Conference reports on railroad consolidation and rates, but during the consideration of these resolutions and these divisional meetings it became evident that the delegates who proposed them had not been fully informed

**GMC TRUCKS ARE
SEVEN STEPS AHEAD**



At the End of the Good Road

*GMC Trucks Provide the
Power to Keep Going*

Distribution Centers at

*Akron	*Memphis
*Atlanta	*Minneapolis
*Baltimore	*Milwaukee
*Birmingham, Ala.	*Montreal, Quebec
*Brooklyn	*New Orleans
*Boston	*New York
*Buffalo	*Oshawa, Ont.
*Beaumont, Texas	*Oakland
*Chicago	*Omaha
*Charlotte, N. C.	*Philadelphia
*Cleveland	*Pittsburgh
*Cincinnati	*Portland
*Clarksburg, W. Va.	*Parkersburg, W. Va.
*Dallas	*Pontiac
*Denver	*Rochester, N. Y.
*Detroit	*St. Louis
*Dayton	*San Francisco
*El Paso	*Seattle
*Erie	*Spokane
*Houston	*Salt Lake City
*Indianapolis	*Saginaw
*Kansas City	*San Antonio
*Los Angeles	*Shreveport
*Louisville	*Toronto, Ont.
*Lincoln	*Vancouver, B. C.
*London, Eng.	*Washington
	*Winnipeg, Man.

*Direct Factory Branches

Road conditions do not enter the consideration of a trucking route, where GMC trucks are to do the hauling, except in the rare cases where the roads are so bad that traction is impossible.

For GMC trucks, if wheels can get a grip, will carry their full load anywhere—a fact made possible only by the surplus of pulling power provided by the now famous GMC Two-Range Transmission.

Also, this exclusive GMC development permits a maximum speed upon good roads. And both of these with an economical engine.

This combination of pulling power and road speed has enabled thousands of truck users to widen the radius of their hauling. It also has developed many new uses for motor trucks where operating conditions demand the speed-pulling power combination that GMC trucks alone provide.

GENERAL MOTORS TRUCK COMPANY

Division of General Motors Corporation

PONTIAC, MICHIGAN

General Motors Trucks



or had not had opportunity to express their views. Without passing upon these resolutions divisional meetings recommended to the Board of Directors that the committee which is to prepare the referendum on transportation should give hearings to all members desiring to be heard.

San Francisco passed off the subject of taxation with a declaration that the Chamber "support in principle the provisions of the Mellon Tax Plan," while Chicago agreed and asked consideration of the advisability of submitting "at the earliest possible moment a referendum" on taxation. Philadelphia asked consideration of a suggested change in the recent report of the Chamber's Committee on Taxation.

On immigration, the third of the subjects to which all four meetings gave attention, there was divergence of opinion. The eastern gathering merely suggested that the Chamber's Committee on Immigration speedily conclude its work and present recommendations for referendum.

The other three meetings approved the enactment of the present quota law for not more than three years and specifically endorsed the memorandum of the Immigration Committee, including that clause calling for the admission of a limited number of immigrants of high standards in excess of quota. These meetings also urged that the Chamber undertake a study of better methods of distribution of immigrants.

At New Orleans a lively discussion of immigration led to the adoption of a resolution passing the admission of white English-speaking immigrants from British countries without regard to quota.

In addition to the three topics which ran through the discussions of all the divisional meetings, each had its own subjects. At New Orleans the problem of cotton production came up. The subject led to a resolution asking the Board of Directors of the Chamber to name a committee to study cotton production and to recommend means by which the Chamber might help to promote the stability of the industry. The statements on which this resolution was premised are interesting:

For several years the world's production of cotton has been less than the world's needs. Until this time the manufacturing industry has been accommodated by drawing from the surplus of preceding years, but that surplus is now nearing exhaustion. The situation is stimulating the production of cotton in other lands to supply the world's needs for cheap fabrics and the other products manufactured from cotton. There is a real danger that in the near future American supremacy in cotton production will fall to cheaper production in other lands.

The Eastern meeting at Philadelphia talked merchant marine and conditions in Europe, while cooperative marketing appealed both to the North Central and the far West. The latter division also took up the discussion of foreign trade from a Pacific point of view.

Nor were the resolutions confined only to the subjects which were up for general discussion. It was the Philadelphia meeting alone which had included in its program the subject of Europe's affairs, but it was the North Central group meeting which took action on this subject. At the request of the Detroit Board of Commerce the Directors of the Chamber were asked to "prevail upon the council of the International Chamber of Commerce . . . at its forthcoming meeting in Paris in July to take all possible steps to bring about at the earliest date practicable a

tute world states, can avoid conflict provided their leaders are willing to sacrifice their personal political ambitions for the stability of Peace under which Prosperity flourishes.

5. That any cooperative effort founded on sound business sense which seeks to remove the barriers to general prosperity of world states, in like measure helps to remove the causes of war.

What has been written here is enough to show the trend and the individuality of the meetings. Fuller reports and complete texts of resolutions are in preparation for distribution.

The speaking at all the meetings was of a high order. Men of national reputation gave freely of their time to attend, to present prepared addresses or to join in the discussion which followed. Some of the speakers we have mentioned, and the list might be indefinitely extended. These names taken at random give an indication of the character of the men in public life and industry who were heard:

A. J. BROUSSEAU, President, Mack Trucks, Inc.

GARRARD B. WINSTON, Undersecretary of the Treasury.

WILLIS H. BOOTH, President, International Chamber of Commerce.

NORMAN B. BEECHER, Admiralty lawyer.

E. J. HENNING, Assistant Secretary of Labor.

JOHN H. FAHEY, former President, Chamber of Commerce of the United States.

COL. GEORGE HOFFMAN, United States Engineers.

W. B. THOMPSON, former President, New Orleans Cotton Exchange.

W. F. GEPHART, Vice-President, First National Bank of St. Louis.

RALPH P. MERRETT, President of the Sun-Maid Raisin Growers of Fresno.

DWIGHT B. HEARD, President, Arizona Pima Cotton Growers' Association.

CARL C. PLEHN, President, American Economics Society.

A. H. SWAYNE, Vice-President, General Motors Corporation.

CHARLES H. MARKHAM, President, Illinois Central.

FRANK O. LOWDEN, ex-Governor of Illinois.

WILLIAM BUTTERWORTH, President, Deere & Company.

GRAHAM TAYLOR, Chicago Commons.

This is a partial list. It is not intended to show who spoke, but is given simply as illustrative of the type of men who attended and took part in this first series of regional meetings.

But these meetings were not alone devoted to discussion, addresses and resolutions. They had a distinct executive function in suggesting names from each division to be considered for nomination to the Board of Directors at the Chamber's Annual Meeting in Cleveland in May.

The names thus submitted are presented in the accompanying table.

Suggested for Directors

Eastern Division

First District.—**Alvan T. Simonds**, President, Simonds Manufacturing Co., Fitchburg, Mass.

Second District.—**Ernest T. Trigg**, President, John Lucas & Co., Philadelphia, Pa.

Third District.—**John M. Crawford**, President, Parkersburg Rig and Reel Co., Parkersburg, W. Va.

Civic Development Department.—**Harlan P. Kelsey**, Industrial Engineer, Salem, Mass.

Foreign Commerce Department.—**Charles F. Weed**, Vice-President, First National Bank, Boston, Mass.

Southern Central Division

Fourth District.—**M. J. Sanders**, Leland Line, New Orleans, La.

Fifth District.—**John W. Shartel**, Vice-President, Oklahoma Railway Co., Oklahoma City, Okla.

Domestic Distribution Department.—**Robert R. Ellis**, President, Hessig-Ellis Drug Co., Memphis, Tenn.

Fabricated Production Department.—**Randell T. Moore**, Chairman, Board, Commercial National Bank, Shreveport, La.

Northern Central Division

Sixth District.—**John W. O'Leary**, Vice-President, Chicago Trust Co., Chicago, Ill.

Seventh District.—**William J. Dean**, President, Nichols, Dean & Gregg, St. Paul, Minn.

Domestic Distribution Department.—**Arthur E. Stevens**, Chope-Stevens Paper Co., Detroit, Mich.

Finance Department.—**Felix M. McWhirter**, President, Peoples State Bank, Indianapolis, Ind.

Foreign Commerce Department.—**Thomas Merrill**, Secretary, General Motors Corp., Detroit, Mich.

Insurance Department.—**James S. Kemper**, President, Lumbermen's Mutual Casualty Co., Chicago, Ill.

Transportation and Communication Department.—**Carl R. Gray**, President, Union Pacific Railroad, Omaha, Nebr.

Western Division

Eighth District.—**LaFayette Hanchett**, President, Utah Power & Light Co., Salt Lake City, Utah.

Ninth District.—**O. M. Clark**, President, Clark-Wilson Lumber Co., Portland, Oreg.

Civic Development Department.—**Arthur S. Bent**, Bent Brothers, Los Angeles, Calif.

Fabricated Production Department.—**Leon F. Rains**, Vice-President, Columbia Steel Co., Salt Lake City, Utah.

general International Economic Conference to deal with the important question involved in the restoration of world-wide prosperity."

In presenting this resolution the Detroit Board also submitted what an alliteratively inclined publicity man might call a "Platform of Principles of Peace and Prosperity." It reads like this:

1. That Prosperity in its broadest sense is a fundamental objective of the individual.

2. That Peace is the stable condition which fosters Prosperity.

3. That War is the uncertain condition which destroys Prosperity.

4. That in proportion as the individual is well housed, well clothed, and well fed, and enjoys a reasonable amount of wholesome recreation, the great masses of individuals which consti-

He Wants Action and He Can't Get It!

SOMEONE of importance, your customer, your client! He's asked for you. He waits. He loses time. He grows impatient. In a minute he'll be gone, and his business with him!

The girl has phoned everywhere. She asks all who pass. She can't find you. She becomes frantic as she realizes that another order is slipping away, and a customer is being offended, for lack of a little service!

It is not her fault, but the fault of the equipment supplied her. *She has no means of broadcasting emergency messages.* The telephone is all but useless for such a purpose!

Broadcasting in Business

Every hour there are emergencies in your business that the Autocall will handle. These are a few: A customer wants his favorite salesman; long distance call for a man who has left his desk; a fire reported; house detective wanted; information needed from a department head; conference about to be called; the chief wanted at once in the shop; the chief calls for a subordinate; important information, perhaps a rare opportunity, for the purchasing department if the right man can be located; sprinkler system needs to be shut off; and so on and on and on.

Dozens of times a day there is a message to be *broadcasted* throughout your store, office or plant. One-at-a-time telephone calls are too slow. A personal



mes-
senger
is slower.

Nothing will do it so quickly as the Autocall. The Autocall will find a man, give a warning, call a meeting or disseminate a general message. It takes seconds where all other methods consume precious minutes or quarter-hours. It saves the time, not of clerks, but of executives. It gives service to customers. It doubles the effectiveness of the telephone. It prevents losses which you would give anything to prevent.

You Need Autocall

Nearly every business has organized in some manner to meet these hourly emergencies. You may be satisfied with your method. Yet, if you'll sit an hour by the telephone switch-board and record the time it takes to reach your executives, you're sure to find a few disquieting surprises in this quarter alone. If a real emergency arises while

you sit there, *you'll be worse than disquieted.* No argument we can advance will be half so convincing as the facts you'll dig out for yourself.

Industry Uses Autocall

Autocall is not an untried idea. It is used in hospitals, court houses, banks, theaters, hotels, as well as every kind of business house, *from the smallest to the largest.* An Autocall installation ranges in cost from \$121 to \$4600 and up. Some one of its scores of uses will save its whole cost for you. It may be bought outright or *installed on trial.* Surely it would be the part of wisdom to send *at once* for full information! The coupon below will serve just as well as a letter.

Give Every Customer Instant Service
With
Autocall
PAGING-SYSTEM

The Autocall Company
302 Tuckey Ave., Shelby, Ohio

Please send information on item checked:
☐ Autocall Paging System as advertised; ☐ Autocall Fire Alarm Service; ☐ Autocall Watchmen's Supervisory service (for large plants.)

Name.....

Address.....

Transportation's Town Meeting

Transportation's Ten Commandments

By HERBERT HOOVER

1. RAILWAY service under private ownership in order to secure the driving force of individual initiative in efficiency and development.
2. Government regulation of fair rates and railway finance in order to protect the shipper and to give stability to honest investment of savings.
3. Recapture of excess profits in order to allow rates which will assure operation and service from railways in less favored circumstances, yet prevent unjustified profits from any particular railways.
4. The earliest practicable consolidation of the railways into larger systems under conditions of maintained competition in service in order to secure greater economy in operation, assurance of development and lower rates, and greater stability in earnings.
5. A basis of employer and employee relationship that will stimulate mutual responsibility as the first requisite to continuous service.
6. Reorganization of the rate structure in order to secure a better adjustment of the burden between commodity, class, and less-than-car-load rates, most of which can best be accomplished after consolidation and consequent wider diversification of traffic.
7. Cooperation between the shipper and the railways in order to secure a better distribution of traffic over the year and to avoid congestion of peak periods of car shortages.
8. Definite development of relief in freight terminals, including coordination with motor truck feeders and distribution.
9. Development of proper joint rates and service by water and rail transportation in order to relieve extension of railways where unnecessary and give the public the advantage of cheaper water transport.
10. A comprehensive national plan of inland waterway development in substitution of hit or miss activities, with priority in development to rivers and canals where substantial traffic may be expected, including development of the St. Lawrence waterway, etc.

By ELMER MURPHY

Hoover, in his opening address to them, put the same idea into other words by saying:

"I have long held that the great solutions of American industry and commerce must come from the community itself by its own cooperative acts, that it will find far greater leadership in conferences and decisions amongst all of those that are interested than it can ever find in government."

This meeting was extraordinary, not because it was a gathering of men who have gained a certain measure of distinction for personal achievement and by a process of general public acknowledgment acquired the title of leadership, but because it was the coming together of many men with many points of view but with one purpose. There were among them the heads of large business institutions, editors, public officials, labor leaders, farmers, bankers, stock-raisers, railway executives and traffic officials, insurance company executives, economists, lawyers, manufacturers, engineers.

An analysis of the personnel of the conference and the committees which contributed to its labors shows that thirty-five were identified with transportation agencies of one

kind or another—railways, waterways and motor transport; fifty-two were shippers; twenty-five were representative of the professions; and twenty-three belonged to other groups.

Singly each member of the conference might have been interested in only one phase of transportation, an entirely different phase than the others. Collectively their horizon was broad enough to take in the complete picture of transportation. They were in miniature a public—the public for which the solving of the transportation problem is a matter of direct concern.

That much alone may be regarded as an achievement, for a large part of the solution of the transportation problem is the determination to solve it. As in all problems a certain amount of faith is needed to remove the mountains, and in the present instance I am not sure that the expression of purpose was not as important as the achievement. So, perhaps, did Samuel Rea, president of the Pennsylvania System, who said:

"I believe that this transportation conference, initiated as President Barnes has stated, is one of the greatest movements we have had in this country. It is the first instance in my experience when all interests were gathered together in a friendly way to take up one of the greatest questions before us."

Consistency, of course, required that the men who made up this gathering should choose

their own way of approach. There was no beaten path for them to follow. One might see it through the medium of motor transport, another through waterways, another through financing, another through railroad consolidation, another through freight rates. Assurance was given at the outset that it was for them to take the measure of their task and devise a way of performing it.

"This is not a Chamber of Commerce of the United States conference," President Barnes told them. "It is called by that organization, but it is your conference. The scope of its deliberations and its conclusions will be submitted by the Chamber of Commerce of the United States, by its ordinary method of referendum, to its members for the expression of their approval or disapproval or for modification."

Nor did it for a moment lose its composite character. Transportation was discussed from almost every conceivable angle. There was not only a variety of opinion about what ought to be done. There were differences of opinion. The remarkable thing about it was that most of those who were shooting from different points were aiming at the same target.

There was the farmer who insisted that the men who till the soil were just as keenly alive

FOR SHEER bigness alone the problem of transportation in a country of the magnitude of the United States is bewildering. It puts a strain upon the imagination to encompass it and bring it within the limits of one's mental vision. To talk of railroad investment in billions, of passenger miles in tens of billions and ton miles in hundreds of billions is to soar to mathematical heights far beyond the range of the man in the street.

And that is only one aspect of it. We count motor cars and trucks by the millions. Expenditures for highways trail into the hundreds of millions and even the lagging waterways absorb a lump sum large enough to be disconcerting. Yet all these figures convey no intelligible idea of the transportation problem.

It is no wonder that most of us merely skirt the edges of it—like the people in the fairy tale who did not stop to remove the stone in the road because it was easier to drive around it—looking upon the question of transportation merely as a matter of getting from one place to another as cheaply, as quickly and with as little trouble as possible, letting some one else bother about obstructions in the highway.

In the fairy tale the stone in the road was small and there was gold under it. In this present day of gargantuan enterprise the stone is mountainous but the gold is there in proportion. It, too, can be counted by billions which go to swell the totals of productive output.

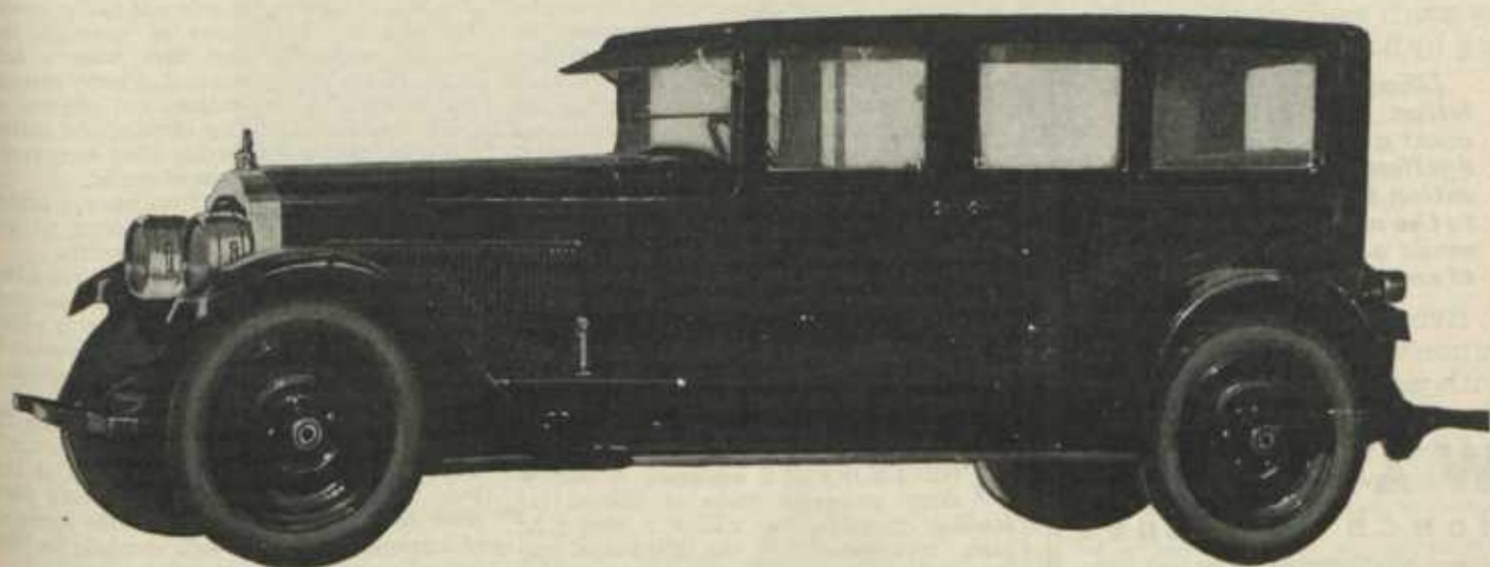
In either case the problem is the same. The stone must be gotten rid of in some way. It is not a task for the single wayfarer—in modern guise the shipper or the carrier or the investor. It cannot be evaded by leaving it to some benign agency, such as the Government. If it is to be done at all, everybody must take a hand in doing it in order that the road may be cleared and that the stream of passing traffic may flow without check.

All this by way of parable and preface. Consider now something more actual. The Chamber of Commerce of the United States took the initiative in calling a Transportation Conference, which met in Washington January 9th and 10th. It was composed of "more than one hundred leaders in the fields of agriculture, finance, labor, industry, insurance, mining and transportation," drawn, as the President of the Chamber explained, "from every line of industry and every section of our people."

Here was an assemblage of men all of whom were well aware that there was a stone in the road and all of whom had the vision to see that everyone would benefit by its removal. They were equally aware that the job would have to be done mainly by those who used the thoroughfare. Secretary

1899 - 1924

Only Packard can build a Packard



Brilliant Beauty
Distinctive Smartness
Extraordinary Performance
Economy of Operation
Luxurious Comfort
Low Upkeep Cost
Years and Years of Service
Pride of Ownership
Sound Investment
Standardized Nation-Wide
Service
High Resale Value

*Four-wheel service brakes; 2 additional rear
wheel brakes—a total of 6—on all Packard cars*

A S K T H E M A N W H O O W N S O N E

When writing to PACKARD MOTOR CAR COMPANY please mention the Nation's Business

Increased Production with Decreased Cost



Individual employees using Wallace Portable Bench Machines can turn out half again as much work as those working by hand.

Likewise, multiple installation of Wallace Equipment will increase the production of an entire organization in direct proportion to the number of machines made available for the use of employees.

Every man in your organization who has anything to do with woodworking operations should have ready access to

WALLACE Bench Machines

to enable them to turn out better work, quicker and easier.

This is borne out by the highly satisfactory experience of many of the largest factories, woodworking establishments and builders who are using them.

Investigate the benefits of their use in your business.

Universal Saw	6" Jointer
Plain Saw	4" Planer
6" Lathe	16" Band Saw
Electric Glue Pot with Automatic Heat Control	Electric Solder Pot with Automatic Heat Control

Description and Prices on Request

J. D. Wallace & Co.

1408 W. Jackson Blvd.
Chicago, Illinois



Wallace Bench Universal Saw

to the necessity of maintaining the railroads in good condition as anyone else. They had oftentimes, he said, dug into their own pockets to help build extensions. There was, on the other hand, the railway executive—call him president of the G. & A.—who admitted that this was true but told the experience of his own road, which had built such an extension principally at the solicitation of the farmers along the way. Its completion was made the occasion for brass bands and festivities. But so promptly did a demand for reduction in rates follow upon the heels of the celebration that the hearing was held in a hall still festooned with withered garlands surrounding a shield which bore the device, "Welcome G. & A."

What was true of the conference was equally true of the committee to which it assigned the task of formulating conclusions. Sitting elbow to elbow at the same long table, toiling—it might be said in passing—far into the small hours of the morning, were a lawyer occupying an important judicial position, a farmer, a former public official, a university professor, a stock-raiser and banker, a consulting engineer, the president of a large industrial institution, a merchant, a publisher, a manufacturer, a distributor, the vice-president of a large manufacturing corporation and an officer of a national agricultural organization.

To the lot of these it fell to compose differences, to bring into common focus divergent views, "to formulate," as it declared in its own report, which was adopted as the report of the conference, "principles and policies calculated to insure the balanced development of all methods of transportation in the public interest."

The starting point of the conference was the address of President Barnes, who set forth in every-day terms what the problem was.

Modern America's Demands

"THE ENORMOUS aggregate of twenty-three successive weeks of railroad car loadings exceeding one million a week," he said, "supplemented by the distribution service of fifteen hundred thousand motor trucks, symbolizes in its last analysis the widespread possession in America of bath-rooms and plumbing, pure water, heating plants, phonographs and telephones, gas ranges and vacuum cleaners, pianos and sewing machines, automobiles and motorcycles, the motion picture and the radio. The problem is to visualize, into terms which every man can understand, the fact that transportation adequate, ready, possessed of the means not only of present expansion but responsiveness to new methods and new devices, is the very structure on which his earning power and his possession of articles of necessity and comfort depend."

Secretary Hoover went a step farther. He presented what he conceived to be the fundamentals of a transportation policy—a sort of ten commandments of transportation. In these, it is to be observed, he did not confine himself to the railroads, which have been so often called the backbone of the transportation system that most of us are disposed to regard its ailments as purely spinal afflictions. He linked together the railroads, the motor truck and the inland waterways. And he added: "Many of these questions are outside of legislation. They require continuous co-operation between the public and the transportation agencies."

The former Director General of Railroads, Walker D. Hines, as a member of the conference, made a plea for the retention of the rule of rate-making in the Transportation Act as the foundation stone upon which Congress has reared the structure of a new transporta-

tion policy. From that point on the conference gave itself up to the discussion of the many suggestions, recommendations and proposals which it afterward amalgamated into a single program.

The way of its deliberations had in a measure already been marked out by six committees, like itself composite in character, whose reports served the purpose of a preliminary survey of the ground to be covered.

These six committees, which were quite independent, although designated by the President of the National Chamber, had for the greater part of the past year studied as many aspects of transportation. It was a testimonial to the thoroughness of their achievement that the conference incorporated their reports into its own.

All Find Common Cause

SOME of the things brought to light in the course of the discussion of these reports were no less interesting because, in such a setting, they were obvious. It is a prevalent notion, for example, that the railroads and the motor trucking interests and motor manufacturers are in a state of constant but amiable antagonism, yet here were a half dozen railroad presidents and as many managers of trucking corporations and officials of motor car manufacturing corporations sitting down together and debating what each could best do to speed the flow of traffic.

A spokesman for the trucking companies shattered another illusion by making an appeal for the regulation of such carriers.

A spokesman for a national farm organization expressed some distrust of railroad consolidation, not because of any adverse effect it might have on the farmer but because it might have an adverse effect upon important railroad systems already in existence.

As its objective the conference set up "a rationally coordinated transportation system," another way of saying that the stone in the road had to be removed or that some plan must be devised covering all the agencies of transportation to provide channels for the flow of traffic in ever-increasing volume.

With this in view it considered what the Government might—and might not—do, mindful, as Mr. Hoover had suggested, that the Government could not do everything. There was no dissent from the conclusion that the Government had already done much of what might reasonably be expected of it by the enactment of the Transportation Act. This, the conference held, announces a new national transportation policy in frankly recognizing the right of the Government to regulate carriers in the public interest, with the correlative duty on the part of the Government, through affirmative action, to place transportation agencies in a position where they can fully discharge the duties they owe to the general public, to their employees and to their security holders."

Rails Must Have Credit

THE IMPORTANT point of this declaration is that not only shall the carriers provide the public with transportation at fair rates but that the public shall provide the carriers with the means of paying their bills. The report of the conference also sounded, in effect, the warning that if there is not some such rule which will work both ways the carriers will not be able to expand their facilities to discharge the duties they owe to the general public.

Briefly, if the railroads are to grow they must have credit, billions of it, and the billions will not be forthcoming if the railroads are to be starved. For this reason, probably,



Out of the Crowd—the Man!

SOMETIME to-day or to-morrow or next month, in practically every commercial office and manufacturing plant in the United States, an important executive will sit back in his chair and study a list of names on the sheet of paper before him.

A position of responsibility is open and he is face to face with the old, old problem—"Where can I find the man?"

The faces, the words, the deeds, the impressions, the possibilities of various employees pass through his mind in quick review, and he realizes once again how little an employer really knows about his men. How little he knows about their hopes! Their ambitions! Their special qualifications! Their particular ability to handle more important work!

It is no easy task—this business of choosing men—yet it is worth all the care and study and worry it demands. For there can be no greater tribute to the foresight and judgment of an



executive than to have it said of him —"He knows how to pick men."

TO-MORROW morning, in New York and Philadelphia, in Portland, Maine, and Portland, Oregon—in Savannah, Georgia, Chicago, and in San Francisco—in hundreds of offices throughout the country, an important executive will find in his mail a brief note that will help him in this important business of choosing men.

It will be a letter from the International Correspondence Schools telling of the progress of someone in his organization who is preparing himself through spare-time study for greater usefulness in his work.

The name of the student may or may not be familiar to the employer, but mentally, or

in more definite form, he makes a memorandum to "keep that man in mind"—to encourage him—to give him, as opportunity offers, more responsibility and more money.

For the very fact that a man cares enough about his future to study his work in spare time marks him as a man of ambition and steadfast purpose. He is the man who of his own volition is striving to make his services more valuable to his employer and to himself. He is, accordingly, a preferred man in every organization—he is the kind of man that every executive is seeking to find.

More than 175,000 letters or Progress Reports were sent by the International Correspondence Schools to employers in 1923—a truly remarkable number when you consider that each one represented a definite achievement in training by some student.

In addition to helping the employer to keep in touch with ambitious men, these reports have also served to encourage the student himself. The records show that students who request that such reports be sent to their employers progress much more rapidly than those who do not.

Briefly then the International Correspondence Schools render a twofold service. They provide the individual student with special training to enable him to deserve promotion, and they keep his employer advised regarding his increasing qualifications for advancement in his work. This service is an important contribution to the efficiency of modern business.

INTERNATIONAL CORRESPONDENCE SCHOOLS
Scranton, Pennsylvania

Offices in leading cities of the United States and Canada, and throughout the world

When writing to INTERNATIONAL CORRESPONDENCE SCHOOLS please mention the Nation's Business



The Messenger

EVERY time a letter or piece of printed matter leaves your office by post, it bears the important responsibility of representing your concern by its appearance and character as well as by its context.

Thus, the part of King's Messenger was for many centuries one of the most potent, the most desirable within the gift of the Monarch; it carried with it the donor's complete confidence and faith; it was a mark of special favor.

In the designing and production of your Business Messengers, the William Mann Company is aided not only by the newest equipment in lithographing and printing presses and in engraving processes, but also by its ripe experience, gained in performing just such supremely fine work for more than seventy-five years.

A folder describing our facilities in Lithographing and Printing will be gladly sent you on request. And we are always glad to submit designs and estimates on any such work as letterheads, finely-engraved folders, printing from steel or other similar special work.

WILLIAM MANN COMPANY

529 MARKET STREET

PHILADELPHIA, PENNA.

Established 1848

New York Office
261 Broadway

Paper Mills
Lambertville, N. J.

Mann-made Products
include

Blank Books

Bound and Loose Leaf

Lithography

Printing

Engraving

Office and Bank Supplies

Write for
descriptive folders about

Manco Safety Paper

Manco Check Books

Mantint Safety Checks

Mann Machine Book-
keeping Equipment

the conference explicitly endorsed the rule of rate-making in the Transportation Act, which, it pointed out, is neither "a guaranty nor a cost-plus arrangement," recognizing the right of the investor who contributes to the up-building of the railroads to a return upon his investment.

This was the philosophy back of the declaration that "no change should be made in any important provision of the Transportation Act until it has had a fair trial, which as yet it has not had." In order that the rule might be applied equitably, that everybody might have the advantage of adequate transportation at fair rates, the conference also adopted the principle of railroad consolidation, holding it to be, however, not so much an arbitrary grouping but a normal economic development which might be depended upon to work itself out to the advantage of the public as well as of the railroads under the surveillance of the Interstate Commerce Commission. In accordance with this idea it advocated "voluntary" rather than "compulsory" consolidation as a beginning.

To the principle of governmental regulation no exception was taken. That may now be regarded as one of the fixed fundamentals of the national transportation policy, guarded as zealously by the railroads as by the public.

Regulation by Qualified Bodies

THE ONLY condition laid down was that the regulating should be done by agencies created for that purpose, the state and federal commissions, rather than by the legislatures, which are still in the habit of taking a hand in such proceedings, as may be adduced from the fact that there have been introduced in the present Congress more than a score of bills proposing to regulate by statute the operations of the railroads.

The rate problem was set forth as one not of reduction but of readjustment—to clear away the disparities that exist among rates and wipe out the inequalities that have arisen for the most part in the wake of the war. If some rates may be too high, it found that others may be too low, and it proposed that the rate structures in the three railroad districts be overhauled and put on an even keel.

Coming now to the "rational coordination" of the system it set out to devise, the conference proposed not only that the railroads should cooperate with other agencies of transportation but that they should cooperate with one another—to the extent, at least, of using jointly the terminals in congested centers so that all routes might be made available to shippers under the same conditions.

This was not the only time the congested terminal, the neck of the transportation bottle, obtruded itself upon the attention of the conference. It was encountered again when the conference turned from the consideration of the railroads and embarked upon entirely new ground in the transportation field—the part to be taken by motor transport.

Here, again, it found that the motor would fit in with the railroad by facilitating distribution and relieving congestion. Store-door delivery it characterized as "the greatest contribution which can be made to the solution of the terminal problem." It found, too, that certain things now uneconomically done by the railroads—switching between local stations, trap-car service and short haul shipments—could be economically done by organized motor transport, and the motor bus was put down as a valuable adjunct of rail lines.

All of this presupposes an organized service and to this end the conference proposed the regulation of motor transport just as the railroads are regulated not merely in the interest

of the public but to give it stability and protect it against the disastrous competition of the irresponsible operator.

Waterways were given place in the same general picture and considered not by themselves, as they have so often been considered in the past, but as a part of the general scheme of transportation. It proposed that waterway development should not be considered only as an engineering problem but as a commercial problem, and it adopted the recommendation that a survey of all the waterways of the country should be made by the army engineers "in consultation with the Department of Commerce and other public and private agencies, as to engineering, commercial and economic phases."

Such in general outline was the picture it drew. Exception might, and probably will, be taken to some of the many intricate details which go to make up the whole. There were, probably, some differences of opinion which remain unreconciled, but this much this Transportation Conference accomplished: It managed to gather together and bring under the focus of a common judgment questions of transportation that have hitherto been considered in a fragmentary fashion and in the inevitably distorting light of a single viewpoint. It arranged in orderly perspective the factors to be considered in shaping a national policy. It provided, as Secretary Hoover said, "for the first time, a joint consideration of our broad national problem of transportation by all of the most important economic elements of the community that are primarily concerned with these problems."

Trades and Industries in the New House of Commons

ENGLAND has a new House of Commons, through a general election of early December, and British newspapers have been analyzing members according to occupation.

This process begins with discovery that of 598 members no less than 442 have had earlier experience in the House of Commons. Although much has been said about the advance of the Labour party, the manufacturers seem to have got ahead, too; for there are in the House of Commons 59 and in the House of Lords 70 members of the Federation of British Industries. By principal occupations and industries the members of both Houses are listed as follows:

	Commons	Lords
Banking	18	66
Brewing	13	12
Coal, iron and steel	39	27
Engineering and shipbuilding ..	50	49
Insurance	40	106
Landlords, farmers, etc.....	29	242
Petroleum	14	15
Journalism	18	6
Railways	24	64
Shipping	33	24
Textiles	34	16
Finance	55	79

At this distance the figures have to be taken in the large. If they were comparable from the American point of view, the casting up might be somewhat different and some ambiguities removed. For instance, the dividing line between banking and finance is not at all clear. Besides, these lists do not account for all the members. Thus, there are in the House of Commons, according to other lists, and including partial duplications:

Lawyers	90	Factors	6
Army officers	20	Teachers	17
Navy officers	3	Merchants	65
Clergymen	4	Trade unionists ..	136

INDUSTRIAL POWER FROM A TO Z

(Automobiles to Zinc)



CHEMICALS are manufactured in many cases directly with the aid of steam, and nearly all plants also use more or less power—hence this modern 2080 b. h. p. combined steam and electric generating station designed and built by Stone & Webster for the Merrimac Chemical Company at South Wilmington, Mass. We have designed and built steam plants of from 700 to 7,000 b. h. p. to supply a wide range of industries, and designed and installed electrical generating capacity for services of all kinds totaling one and three-quarter million horse power.

The success of your new power installation can be insured by combining our broad general experience in steam and power installations with your specific experience in manufacturing your own product.

STONE & WEBSTER INCORPORATED



NEW YORK, 120 Broadway
SAN FRANCISCO, Holbrook Bldg.

CHICAGO, 16 S. Dearborn Street
PHILADELPHIA, Real Estate Trust Bldg.

BOSTON, 147 Milk Street

A NEW ERA IN INDUSTRIAL CONSTRUCTION AND FINANCE

Here's Your Building

A Plan for *Financing* Buildings out of Their Earnings

Blaw-Knox Standard Steel Buildings now made available on small initial investment to those needing working funds. Immediate use. "Pay for them as they earn for you."

Meet All Practical Uses

Factories (General)
General Warehousing
Machine Shops
Automobile Factories
Commercial Garages
Filling Stations
Power Houses
Pump Houses
Brick Sheds
Foundries
Laundries
Bakeries
Railroad Stations
Railroad Section Houses
Express Depots
Terminal Warehouses
Commissaries
Bunk Houses
Mess Halls
Implement Storage
Voting Booths
Cut Stone Sheds
Gymnasiums
Cement and Lime Storage
Field Offices
General Stores
Chemical Plants
Steel Plants
Contractors' Storage

An old and standard custom in buying has now been applied to the Industrial Building problem by the Blaw-Knox Company.

For years manufacturers and merchants have sold various products on small initial payments and allowed the balance of payments to be made over a period of time. Every business man knows the results.

Now Blaw-Knox offers manufacturers and general business these very same privileges on the purchase of their buildings.

Business need no longer hesitate to build because of the immediate money outlay required. The Blaw-Knox plan relieves this situation. The money outlay required is small. Payments may be made as earnings result.

Companies preferring to buy buildings on regular terms may do so as heretofore. Among these are thousands of Blaw-Knox users.

This finance plan not only makes possible

thousands of contemplated building operations, but makes money available for material, equipment and working capital.

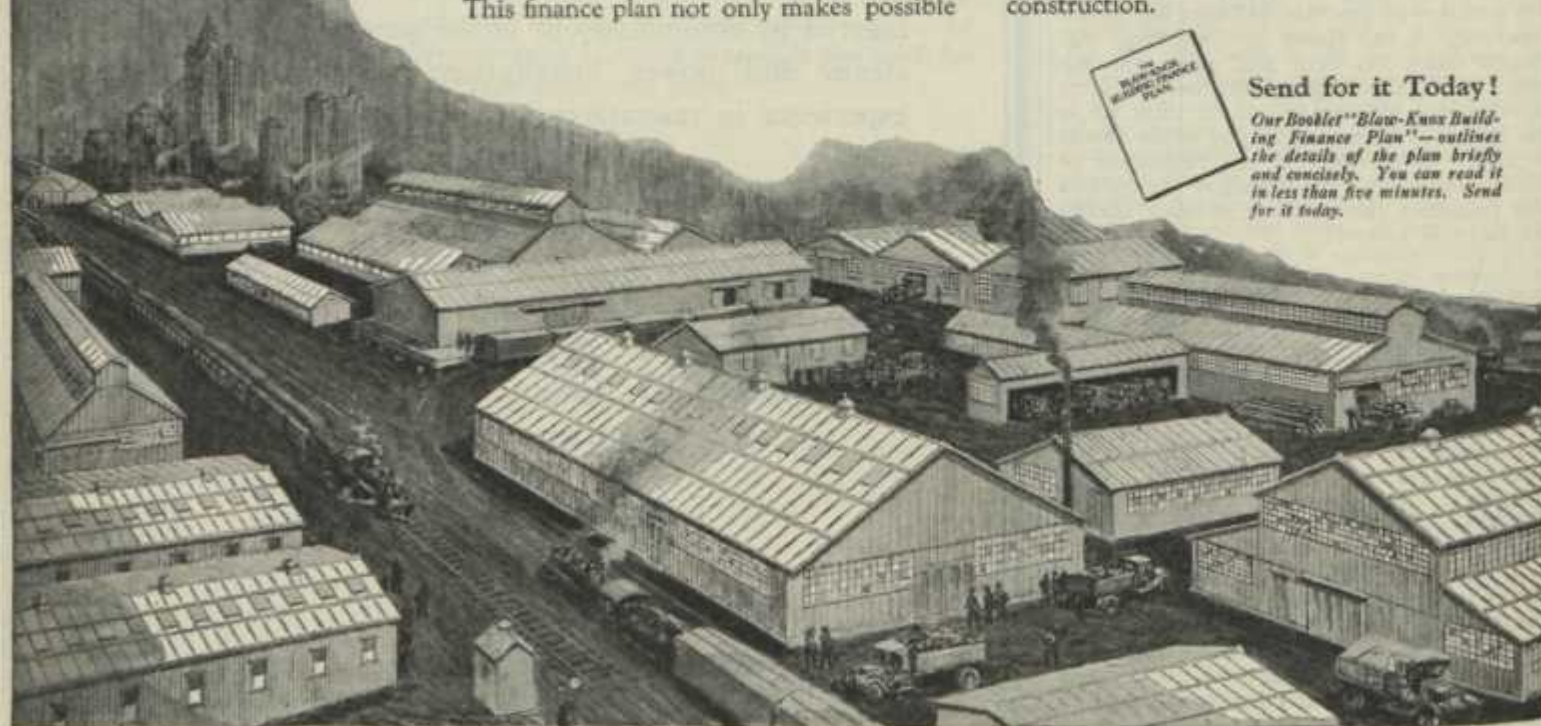
It gives unimproved and idle property the chance to pay taxes and produce revenue.

You profit immediately because this standard type of steel building is quickly shipped and erected. Furthermore, Blaw-Knox Standard Steel Buildings have proven themselves an economy measure in industrial construction.



Send for it Today!

Our Booklet "Blaw-Knox Building Finance Plan"—outlines the details of the plan briefly and concisely. You can read it in less than five minutes. Send for it today.



BLAW-KNOX

From Shop to Job in Standard Units

When writing to BLAW-KNOX COMPANY

ORIGINAL DESIGNERS AND MANUFACTURERS OF STANDARD STEEL BUILDINGS

Problem ~ Solved!

Definite Savings Made Possible by Blaw-Knox Standard Buildings

Low in first and final cost—so quickly erected that immediate use may be had—best meet the needs of new enterprise and growing business.

BLAW-KNOX Standard Steel Buildings have always been factors in keeping down the cost of industrial building. In the past few years this type of construction has fairly leaped into nation-wide prominence and acceptance. Their known economies place them within the immediate reach of every enterprise.

Low cost always important:

Engineering skill has made it possible to produce these standard steel units in such quantities that they are accepted as the lowest-cost types of high-class construction.

Speed and availability mean quicker earning:

Blaw-Knox Standard Steel Buildings make it possible to decide your building needs today and have them in use and earning in 30 days.

Blaw-Knox "made in the shop units" are so standardized that they are quickly available and speedy erection is a simple task.

Most flexible to changes or growth:

Capacity is increased by adding more standard units. No waste involved—alteration is simplified.

Long Service—Permanent:

Blaw-Knox Standard Steel Buildings are permanent, weathertight, fireproof structures. They reflect good business judgment.

Doubly insured against rust:

Only in the Blaw-Knox Buildings do you find copper-bearing wall and roof sheets completely galvanized and so designed and constructed that they are doubly insured against rust. Your upkeep is practically nothing. Your saving on paint alone is a big item.

Leak-proof skylights exclusive features:

The patented leak-proof roof and skylights keep out the roughest weather. These are exclusive and noteworthy Blaw-Knox advantages.

Original designers and manufacturers:

The Blaw-Knox Standard Steel Building was originated by the C. D. Pruden Corporation of Baltimore, Md., now owned and operated by the Blaw-Knox Company.

"Pay for them as they earn for you":

Now Blaw-Knox finances the purchase of your buildings—finances Industrial Cities of Steel.

Blaw-Knox Serves Every Industry

The Blaw-Knox Company are pioneer engineering manufacturers.

Their famous traveling steel forms have added to the efficiency and speed of all big concrete projects, such as the Panama Canal.

Whenever bulk material is handled, Blaw-Knox Clansell Buckets speed the work and cut the cost.

In building the nation's highways Blaw-Knox Road Plant and Equipment have greatly advanced progress in highway construction.

Knox waste-cooled equipment has substantially increased the life of high-temperature furnaces.

Transmission Towers convey power and light to communities the world over.

The process of forge and hammer welding has made possible the Blaw-Knox seamless steel an necessary to the refining of crude oil by-products.

Seed Forms have greatly simplified concrete construction from sewers to subways, from sidewalks to skyscrapers.

Long experience as structural steel manufacturers and engineers give the Blaw-Knox Company the knowledge necessary to perfect the Standard Steel Building to meet the diversified needs of all industry.



BLAW-KNOX COMPANY

632 Farmers Bank Building
PITTSBURGH, PA.

New York.....30 East 42nd St.
Detroit.....Lincoln Bldg.
Chicago.....Peoples Gas Bldg.

Birmingham.....1511 Amer. Trust Bldg.
Baltimore.....Bayard & Warner Bldg.
Buffalo.....422 Genesee Bldg.



Just off the Press!

"The General Manager Solves the Building Problem" vividly describes the broad use of Blaw-Knox Buildings—shows you what low cost, immediate use and flexibility mean in terms of profit. Just off the press. Send for your copy NOW.



Pay for Them
as They Earn for You **BUILDINGS**

Please mention the Nation's Business

This Louisville office is a constructive force with debtors

The United Mercantile Agencies of Louisville, Ky., has established with the merchants of the United States a reputation for constructive business practice that has become an asset to its clients.

Your debtor knows that our methods are helpful to him as well as to his creditor

He knows that we have his business history in our active files (in such elaborate detail as would astonish you). He knows there are no "hit or miss" methods in our procedure, that we have a field man in or near his town, that we know business conditions in his territory, his prospects, that we know his other sources of supply. We have the distinct advantage of having his acquaintance established on an official basis.

That is why we are able to obtain satisfactory settlements for you more quickly and frequently for less than the cost of unscientific procedure.

We are enabled to get these results through the handling regularly of delinquent accounts for more than four thousand leading manufacturers and national distributors. They make it possible for us to offer you a constructive collection service. You, too, can operate through us to your advantage—a letter will bring you particulars.

UNITED MERCANTILE AGENCIES

Louisville, Kentucky

United Building

Collectors for Manufacturers
and National Distributors



Listening In on Congress

ONE DAY in the House, just after a bill for codification of all the laws of the United States in one volume and 10,747 sections had been passed for the third time, and was well out of the way, Mr. Jones (Tex.) had some remarks to make about something else:

We Americans are a peculiar people. As a nation we have done wonderful things. The theories of yesterday, proved by practice today, give way to the improvements of tomorrow. We do everything in a hurry. We have the telegram instead of the slow letter. We have the automobile instead of the ox-cart, and if this is not fast enough we may tread the clouds and annihilate space through the medium of the airplane. We have the radio, by means of which we may gossip without leaning over the back-yard fence. We have a *Saturday Evening Post* that is distributed on Thursday, Sunday papers that are published four days ahead, and news that never happened. Styles change over night. Women wear hats that are turned up in front and down behind, then down in front and up behind, then neither and then both. We drive forty-five miles per hour going nowhere, just joy-riding.

Someone asked Doctor Coué when he returned to France to give his impressions of America. He replied, "Oh, the Americans are a wonderful people. They are very fine. They are very hospitable and generous. They have lots of money, but the trouble is they are always in a hurry. For instance, they don't have time to say, 'Every day in every way I'm getting better and better,' they just say, 'Hell, I'm well.'"

We have General Dawes to do our "cussing." Ford to build our flivvers, the Progressives to do our talking, and the Rules Committee to run the House of Representatives. If that doesn't complete the ring, what does?

We are getting to be a government by groups and the victim of propaganda. Some old boy, or some group will conceive an idea to save the country. He'll organize his little group and wire all over the United States, saying, "Wire or write your congressman to do so and so." Some enterprising newspaper reporter, with a nose for news, smells a story and the machinery is started. They begin by taking a lick at Congress. That seems to be popular. . . . The sad part of it is that by coloring or misstating the facts the public is sometimes misled. For instance, Brigadier General Dawes, whom we have recently sent out of the country, and are resting in the deadly stillness of his aftermath, was once chairman or head of the Bureau of the Budget. His language, at least, was picturesque. He made good newspaper copy. He was an artist at publicity. The newspaper men, encouraged by him, pictured him as "Jovellike," belching lightning and lambent flames, holding an extravagant and wasteful Congress in check. . . .

The cold facts are that Congress, with a single exception, reduced all of General Dawes' estimates an average of more than 10 per cent. . . . But the public did not know anything about that. It did not make good newspaper copy, therefore the newspapers did not use it. . . . What are facts when the circus is on; when the confetti of foolishness is being thrown; when the money mendi, the honey wine, the California fruit juice, and the pink lemonade are being sold; when the elephant is standing on his head; when the blood-sweating hippopotamus is on display, and when the steam piano is in full blast? Reason simply stacks arms and leaves the field under those circumstances. . . .

"It has been a number of years," said Mr. Longworth (Ohio), "since we have had

The Unexpected Crops Up When Legislators Talk on Polygamy, Politics and the Peculiarities of the Press.

so protracted a debate in this House confined solely to the question at issue," which was the change of the House rules to permit 150 members to discharge a committee from consideration of a bill.

"This debate has," he continued, "in my view, generally been enlivening and often enlightening." He urged as one consideration the fact that "this Capitol is surrounded and infested with a number of very militant and vigorous lobbyists, who would seize this opportunity as a means of forcing votes" upon their hobbies.

Mr. Bankhead (Ala.): I imagine that we will have them unless the distinguished Republican leader in this House, with his associates in the Senate and elsewhere, would have the ingenuity and courage to frame some bill that would keep out of our offices and out of the House Office Building those who, as he says, are not really legitimate lobbyists. . . .

Mr. Longworth: I will say to the gentleman that I have the courage, but I doubt whether I have the ingenuity.

Mr. Bankhead: The gentleman has not hitherto shown himself lacking in ingenuity. I was very much amused when the gentleman from Illinois (Mr. Graham) said he was a compromiser, and it struck me then that the gentleman from Ohio (Mr. Longworth) had the ingenuity in that instance to compromise Mr. Graham out of the leadership of the majority in this House.

Mr. Graham (Ill.): . . . Do you not think I was in luck?

Mr. Bankhead: I think the gentleman manifested on that occasion rather profound intuition.

Getting Rid of Wives

MR. CARTER (Okla.), had an Indian story to tell when the Interior Department appropriation bill was being discussed:

Many years ago, when Jim Sherman, afterwards Vice-President, was chairman of the Committee on Indian Affairs of the House, the Comanche chief came before that committee to present some matters, and when he had finished Chairman Sherman said:

"Chief Parker, I want to ask you a few questions upon another subject."

The chief, who spoke broken English, said, "Very well."

Mr. Sherman said, "I understand that some of your young men down there have more than one wife. Is that true?"

"Yes; sometimes two, three, sometimes four."

"Well," said Sherman, "that was all right under your tribal laws and customs, but you have a state down there now and you are living under the white man's law, so that will have to be changed, and your boys are going to get into trouble if they continue this thing of having plural wives. Now, when you go back home, as chief of your tribe, will you not call them together and tell them they must send all their wives except one back to their fathers? Will you do that?"

"Yes."

So the next year the old chief was back again, and the chairman asked him, "Chief, do you remember what I told you last year?"

He said, "About wife?"

"Yes; about wife."

"Yes," replied the chief.

"I told you to tell the boys they must get rid of all their wives but one, didn't I?"

"Yes."

"Did they do it?"

"Oh, pretty well."

"Well, now, Chief," said Mr. Sherman, "that



It's the *last few* shovelfuls that break the father's back!



Drawn by Ralph Barton for A. R. Co. © 1924

YOU can reduce your shovelling, and your coal bill one-third.

Write on a postcard your name and address and the number of rooms in your house. You will receive full information about the size and type of IDEAL Boiler best suited to it.

You will be surprised to learn what immense progress has been made in recent years in the design of boilers for home heating under the leadership of this Company's Institute of Thermal Research.

An old heating plant—even though it may still be giving service—is an extravagance. An IDEAL Boiler, in its place, will save at least one-third of your fuel bills. Multiply your last coal bill by twenty and see what a one-third saving amounts to in twenty years.

A big item—why not save it?

Your postal card will involve no obligation. Mail it whether your house be large or small, whether it is built, *being* built, or merely *being planned*.

IDEAL BOILERS COAL • OIL • GAS and AMERICAN RADIATORS *save fuel*

AMERICAN RADIATOR COMPANY

Your Heating Contractor is our Distributor

Dept. 61 1803 Elmwood Avenue, Buffalo, N.Y.
Branches in all principal cities

IDEAL ARCOLA
for small homes



IDEAL TYPE A
for medium-sized
and larger homes



IDEAL 79-inch
for larger
buildings





Greensboro's "Circle of Success"

Greensboro occupies the favored spot where busy North Carolina's busiest arteries meet. Here the main rail routes cross. Here converge from all directions the branch lines and good road highways that tap a region of rich diversified crops and varied manufacturing.

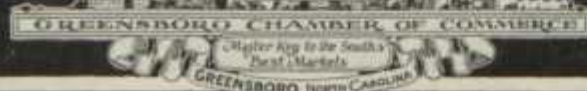
Close to raw materials, amply supplied with power and labor, and in the very center of North Carolina's amazing industrial zone Greensboro is a City of Opportunity, a bustling, thriving, fast-growing, progressive place, full of openings for Men of Initiative, in manufacturing or distributing goods, in truck, dairy or poultry farming, in retail business, too. Within the above magic circle are 75

manufacturing towns and 600,000 people. The largest denim and cotton flannel mills in the world. The largest tobacco manufacturing plants in the world. The second largest aluminum plant. The second largest furniture market. Within 75 miles, over 1,000,000 people and cotton mills that spin 1,000,000 bales annually. Greensboro, too, is the Insurance Center of the South.

For definite facts write for booklet, "Greensboro, Master Key to the South's Best Markets."



Address Chamber of Commerce, 313 Jefferson Building, Greensboro, N. C.



When writing to GREENSBORO CHAMBER OF COMMERCE please mention the Nation's Business

will not do. I understand you have four wives yourself. Is that true?"

"Yes."

"Well," he said, "don't you know that as chief of the tribe you are expected to set the example? You go back out there, you call those four wives into your house and you pick out the one you want to keep, then tell the other three that you cannot maintain them, you cannot keep them any longer because it is against the law, and that they must go on back now to their own folks."

This old chief, hero of many fierce battles, finally letting his vision fall upon the portly form of "Sunny Jim," replied:

"Mr. Chairman, you tell 'em."

"Here is a little park in Oklahoma," expounded Mr. McKeown (Okla.) in the House, "that has bromide water, the like of which you cannot find anywhere in the world this side of Carlsbad. . . . If any of you are troubled with nervousness, so that you cannot sleep, no matter what the cause of it, conscience or bad digestion, all you have to do is to drink bromide water and you will sleep like a baby. . . ."

Mr. Lowrey (Miss.) Do you really mean to say that that water would help the conscience of a congressman?

Mr. McKeown. I think it would, Judge, because he could not tell whether it was digestion or not. Some men do not know the difference between a good digestion and a good conscience.

Mr. Lowrey. And you say the Oklahoma people bathe in that water?

Mr. McKeown. No, sir; they do not have enough of it to bathe in. They get just a little bit of it to drink. . . .

Mr. Lowrey. I thought if the people of those states were bathing there and it would also help a congressman's conscience, we ought to make this \$100,000.

Mr. Blanton (Tex.). I would suggest to my friend that he keep Mississippians away from there.

Mr. Lowrey. Mississippians do not need it.

In Praise of a Park

MR. McKEOWN. This committee has been very generous in time, but, gentlemen, we have not been able to wring a dollar out of them when it comes to putting on an amendment. This is a meritorious case. I will give you my experience. I went to that park one Saturday afternoon. I was a little late leaving my work, and when I drove into the park. . . . I could not find a place to camp until nearly 10 o'clock, the place was so crowded and congested. . . . It is the most wonderful small park in the whole of the United States. It is an everyday man's park. I do not have money enough to go to these great parks in the West, but I can get away and go down to sulphur and so can the other people in all of that southwestern country. . . . I want to suggest to the members of this House that on account of conditions here, and the strenuous lives you live in Washington, it would be well for you to have the Government send up here some of this bromide water so that the members of the House and of the Senate may have an opportunity to test out its value. I am satisfied that after having drunk that bromide water the Platt National Park would have no further trouble in this House. One of my distinguished colleagues says that I do not exhibit the hair-growing qualities of this water. That may be true, but I did not go down there to make it grow hair.

Mr. Blanton. . . . They say that it will stop sleepless nights. That of itself ought to require us to make this expenditure, because there are more prominent men in politics suf-

fering from sleepless nights just now in the United States than there have been for twenty years before. . . . I am for the small project in Oklahoma. Although it has not made my friend's hair grow, it will prevent sleepless nights for politicians and do lots of things.

Mr. Cramton (Mich.). . . . The interesting thing about the matter of economy is the tremendous change caused in the point of view by the relative proximity of the expenditure proposed. We are now arriving at a park in Oklahoma largely patronized by the people of Oklahoma and Texas, and I have lost my chief assistant in defending the bill, the gentleman from Texas (Mr. Blanton).

Mr. Blanton. The gentleman from Texas is watching the \$700,000 items, and not the \$15,000 pittances.

Sad Days Ahead

MR. WEFALD (Minn.) spoke "as the representative of the smallest group in this House—the Farmer-Labor Party of Minnesota. . . . Before you is the horrible example of what is going to happen in the next election."

Upon the day that this House reconvened I heard a remark made here by the majority leader of this House, a distinguished, fine gentleman. He has not yet shaken hands with me, but I look at him, and the more I see of him the more I admire him. He said, "We do not want to tamper with the rules, because they are the outgrowth of more than 100 years of experience." So they are; but I say, again, I am a radical, and if I can I want to help to blow some dust off of those rules that has accumulated upon them in the 100 years he speaks of. . . . I know some of the men who came here as a result of the last election that cut down the majority of the Republican party from 160 until they have not a majority unless they can get Mr. Nelson and "his gang" back into the Republican party. . . .

I take it they have been reading lately Josh Billing's essay on the mule. . . . He says at one place that a mule has not any sickness that a good club cannot cure, and certainly, if they have not used that club here, I am mistaken. They have been trying to cure the mule here all the time, and I think the mule is not cured yet. I gently want to suggest that if they are going to cure that mule and put it back into the trim it was once in, it takes a little bit of oats besides clubbing.

Mr. McSwain (S. C.): You mean to cure the elephant?

Mr. Wefald: No; not the elephant. The elephant is hopelessly sick. . . .

One thing that struck me yesterday was that there was a quarrel going on as to the legitimacy or illegitimacy of the resolution that is before us. I want to read you a little story. . . . I found this in a book by George Brandes, the great literary critic of Europe, in his book, "Creative Spirits of the Nineteenth Century."

There was a little schoolgirl in Copenhagen 70 years ago and she wrote an essay under the caption of "An Unexpected Joy." It reads:

"There dwelt in Copenhagen a man and his wife who were very happy. All went well with them and they were extremely fond of each other, but they felt very sorry because they had no children. At last the husband went away on a long journey and was gone ten years. When the time was at an end he returned home, entered his house, and was happy indeed to find five little children in the nursery, some playing, some in the cradle. This was an unexpected joy."

I want to remind the Democrats of what happened to the Republicans. I will never forget the expression of unexpected joy on the part of the majority leaders of the House the day we began to do business here; but I tell you Democrats if you are not careful you are going to find the same condition in your family, and you will scratch your heads and wonder how it happened.



Protecting profits by prompt service

WHEN a payment is delayed, 2000 miles away; when a car loaded with profits is sidetracked; when credit standings are not promptly determined—profits are cut down, losses occur.

But most of these handicaps can be avoided today.

In bringing New York markets to the front door of every important trading center—in helping these centers transact business in New York with speed and economy—the Irving Bank-Columbia Trust Company, familiar with the problems at both ends of all correspondent transactions, can eliminate many costly delays and misunderstandings.

During seventy years' experience in commercial banking the Irving-Columbia has built up highly specialized departments capable of handling all correspondent business with safety and dispatch.

In recognition of the vital importance of adequate facilities in handling your New York business, we have created the Out-of-Town Office—a separate unit of service—devoted solely to serving customers in the United States outside Greater New York.

IRVING BANK-COLUMBIA TRUST COMPANY

Member Federal Reserve System

NEW YORK CITY



How over 100,000 "doers" in business say it when it's on their mind

A CUSTOMER is seen, a deal arranged. The details are immediately dictated into THE DICTAPHONE, always at the elbow of these 100,000 "doers" in business.

Facts established by telephone or conference are given THE DICTAPHONE by the same breath that repeats them in confirmation.

Recognized leaders, efficient handlers of their businesses, use THE DICTAPHONE to make notes as they go, to get the detail records of their work in permanent form. Nothing is forgotten.

Nothing postponed. THE DICTAPHONE eliminates that great danger to successful handling of organization work, failure to get the facts in writing.

Men like R. I. Bentley, President of the California Packing Corp. and David Lawrence, President of the Consolidated Press Association, who are known for the tremendous volume of work they produce, use THE DICTAPHONE to meet every business problem when it arises—to properly delegate authority and to thoroughly organize their work-day effort.

Thousands of executives in companies like

Metropolitan Life
New York Central R. R.
Atchafalaya, Topeka & Santa Fe R. R.
Texas Co.
National City Bank
W. Straus & Co.

Travelers Insurance Co.
Lever Bros. (Lux and Lifebuoy)
Southern Pacific R. R.
California Packing Corporation
O. R. S. Music Roll Company
Westinghouse Electric & Mfg. Co.

use THE DICTAPHONE in this way to speed and safeguard their detail, to get more time for creative thinking.

Read this Free Offer!

Get the facts on which these 100,000 business leaders base their choice. Read how they plan and organize their work.

Check
your
choice

☐ Show me how other companies are cutting correspondence costs—getting more business through better dictated letters.

☐ Send me valuable book "The Man at the Desk," showing the many ways THE DICTAPHONE will help me.

☐ Send me names of men in my locality or line of business who now use THE DICTAPHONE.

OR Know Ten Days' Relief from a Cluttered Desk.

Check here and Get FREE TRIAL INSTALLATION.

☐ You may install THE DICTAPHONE for my use FREE for TEN DAYS.

Tear this coupon. Check your choice and send it with your letterhead.

Address Dictaphone Sales Corporation

154 Nassau St. New York
Tel. Beekman 8540

Cable Address: Dictaphone,
N. Y. Code: Bentley.

Our regular monthly inspection insures constant, perfect service from every machine at the lowest possible maintenance cost.



THE DICTAPHONE

(Reg. U. S. Pat. Off.)

The High Cost of Beating the Bushes

Harry Tipper, in a brief, characteristically terse article to be published soon, tells of a talk he had with a president of a manufacturing concern in the east. "We used to do a mail-order business entirely and ran up a business of half a million dollars at a sales cost of 5%," was one of the president's statements. Then he told how the sales were increased to \$2,500,000 annually, and how the sales cost jumped to 17%. And later, to \$4,000,000, with another increase in cost to 20%. This, says Tipper, is "merely a translation of that interesting and somewhat abused law of diminishing returns." If you like practical economics, look for "The High Cost of Beating the Bushes," which will appear in the April NATION'S BUSINESS.

Chips from the Editor's Work Bench

LOBSCOUSE and sea pie! Who remembers those formidable items of seafare? Delicacies they were of the early fifties, when the trans-Atlantic ships sported paddle wheels and sails. The sea cook of seventy years ago was a plain man, and he showed it in his cooking. His dishes were for hearty appetites, and rated every traveler a good sailor. Salt fish was a mainstay of his cookery. Oranges and apples were occasionally served for variety.

But lobscouse . . . that was a dish to make the saltiest sailorman's mouth water. Scouse,



dubbed lobscouse or lob's course, was built on a base of salt meat and sea biscuits, with or without vegetables, and sometimes served as a stew. Another whim was to fry a slab of scouse in pork fat and then serve with molasses.

Gone are the sea-going paddle wheelers and their simple fare. Nowadays the ocean voyager has a wide choice of luxurious ships and pretentious dishes. He makes his choice of food from a printed menu, and knows not of the old-time bill of fare written with painstaking care by a ship's clerk. The cook has become a chef—and a mighty man is he, with rank and file to do his seasoning. Ice and ice-cream are cold facts to show the progress of refrigeration on shipboard. Grapefruit and melons are to be had for the asking.

Even the most bored sea-going stomachs must be touched with the change that has come over seafare—another Norman conquest, so to say, that has turned loyal English stomachs from plain seasickness to fancy *mal de mer*.

BUSINESS English is growing better. So says Mrs. Alta Gunn Saunders, director of business English work at the University of Illinois. She believes that English of sales letters has reached a standard as high as the general standard in advertising and in journalism. To her way of thinking, awkwardness and crudities of style are disappearing. She sees greater consideration for the artistic quality of the descriptive and narrative parts of letters. Slang, colloquialisms or slouchy English she would not have—she likes her English "moral, social and artistic." Evolving is "a free, plain, tradesmanlike style which is becoming to the nature of its subject matter."

But where shall we tap the source of that style? Familiar is the sign, "Tradesmen's Entrance." Under that sign is a portal to give admittance to the crisp speeches of butchers, bakers, and candlestick makers—men of importance with scant time to dress words in ceremonies of speech. From them come no "stereotyped and inflated diction," condemned by Mrs. Saunders. Their words get up and walk around in our ears. Their words carry the tang and savor of their business. Possibly it might be desirable to denature the raw materials of their conversa-

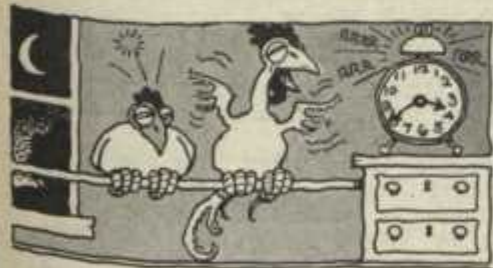
tions before drawing upon them for letters, but if men's minds are to be spaded for a crop of sales, success will be no nearer for calling the spade an "oblong instrument of manual husbandry."

FISH stories are important items of human experience, and the teeming life of the sea has ups and downs to match any fortune of the land. Young oysters, we are told, settle down to work after forty-eight hours of making a splash in their world. Some become pearl manufacturers, and others just hang around the bars—plain old soaks. Starfish sometimes visit oyster communities and work the old shell game. Well, the oysters have made their bed—let them lie in it. And there are the limpets. They prowl around at night, but always in the morning they manage to find their own flats on the old home rock, and so save their faces in the eyes of the community. Ah, those sly, rollicking limpets!

And what armories of teeth—whelks have from 220 to 250 each, winkles 3,500, and the umbrella shell about 750,000 to the set. What a time there must be when the little umbrella shells are teething. Whelks, mon!

Life at the bottom of the sea is a pretty serious business.

HENS that belong to the exclusive hennery of H. D. Bowen now tee up for the day's work at 3.45 in the morning. Practice makes perfect eggs, and Mr. Bowen sees to it that his hens get in a few hours before the regular day begins. The hen house is located near Freeport, Illinois. To make practice inviting, Mr. Bowen installed electric lamps in the hennery. The lamps are turned on by an alarm clock in his home. When the light comes on the work begins—it's the early hen that lays the first egg. Now, if there are busy boot-Leghorns trying to turn an honest egg at night, they will not be handicapped by oversleeping. At 3.45 the alarm rings . . . the hennery lights up . . . the hens shake up their feather beds . . . Fore! or rather Fowl!—if the thing is to



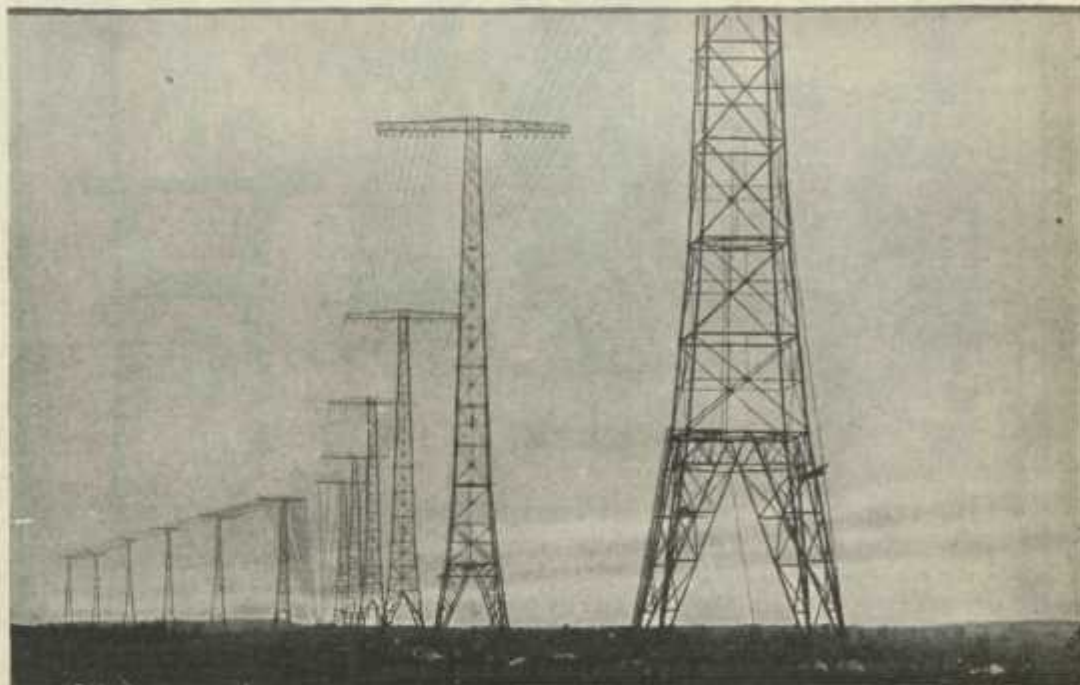
stand as hen-house golf. Not every cackle means an egg, but every egg means a hole in one.

Little we know of the handicapping of hens, but it would seem that Plymouth Rocks should have a firm stance . . . bantams might do best at running down long approach shots . . . Rhode Islands Reds seem most likely to go into the rough . . . wet hens have a bad name for breaking up twosomes. . . .

O electricity! how many eggs are committed in thy name!

WHO HAS the greater income after college years—the scholar or the mixer? How rates the student of chemistry, say, with the student of campus? One answer is given by an instructor in the University of Michigan. He has prepared a sort of alumni who's who and for how much. The scope of his inquiry is not known to us, but his

RADIOGRAMS



Nine miles of Antenna

OUT at Rocky Point, Long Island, ten square miles of land are given up to power buildings and soaring towers—to miles and miles of heavy antenna that sends out and picks up cross-Atlantic radio telegraph messages. The receiving antenna alone is nine miles long! The transmitting antenna is one and one-half miles long, with sixteen wires.

In an office in the heart of New York, the messages are ticked off by automatic machine. In the same second, another automatic machine picks them up in England, or in France—in Germany or in Norway. Seven different countries to which messages are sent direct! Eighty words a minute—faster than the human ear can distinguish. Swift. Accurate. Giving America world-wide business vantage. Mark every message



REG. U. S. PAT. OFF.

Send To-day
for Radiogram
Rate Sheet

"Via RCA"

RADIO CORPORATION OF AMERICA

RCA OFFICES IN THE FOLLOWING CITIES
NEW YORK CITY

64 Broad Street	Broad 5100	6 West 19th Street	Watkins 7953
39 Spruce Street	Beekman 8220	1824 Broadway	Columbus 4311
126 Franklin Street	Franklin 2675	51 East 42nd Street	Murray Hill 4996
SAN FRANCISCO, 300 California Street, Garfield 4200			
WASHINGTON, D. C., 1110 Connecticut Avenue, Main 7400			
CHICAGO	10 So. La Salle Street	PHILADELPHIA	The Bourse
BOSTON	60 Congress Street	CLEVELAND	1509 St. Clair Ave.
NEW ORLEANS	Carondelet Building	SEATTLE	Maritime Building
BALTIMORE	Gay & Pratt Streets	PORT ARTHUR, Texas	Resly Building
NORFOLK, VA.	220 Brewer Street	HONOLULU, T. H.	925 Fort Street



The Fire-Stick and the Plain Bearing

THE fire-stick whirled in its groove. Wood grinds against wood. A thin wisp of smoke curls upward. A tiny pin-point of flame appears. Friction, through a tremendous waste of power, has produced fire.

The shafting in your plant whirled in its plain bearings. Metal grinds against metal. The bearing runs warm. It clamors for oil—more oil. More than that, friction, between the shafting and the long bearing surface, clamors for MORE POWER.

For, just as it takes more power to whirl the fire-stick than it does to strike a match, so does it take more power to whirl your shafting on plain bearings than in ball bearings.

Skayef Self-Aligning Ball Bearing Hangers, practically eliminate friction, power and up-keep costs, and pay for themselves within two years time. Let our engineers estimate on Skayef Ball Bearing Hanger equipment for you.

1178

For Nearest Distributor, See MacRae's Blue Book



SKAYEF

—the 4-Saving Hanger

1st Saving Skayef Hangers save from 50 per cent upward of the energy which plain bearings consume in friction. This means a saving of 15 to 35 per cent of your power cost.

2nd Saving Considerable time is saved by eliminating shutdowns for replacing or adjusting bearings. Forced oiling of machines and men is a non-factor too big to be ignored.

3rd Saving Lubricant consumption reduced 50 to 80 per cent in comparison with plain bearing hangers. Lubricant required only at infrequent intervals and it cannot leak out and run into or product.

4th Saving There is no discernible wear on the hard steel balls and races and absolutely no shaft wear. Ours and our copies enter the bearings and Skayef self-aligning ball-bearings have the exclusive tolerance ability of compensating automatically for shaft deflection.



Made Under
SKF
Supervision

SKAYEF

Self-Aligning Ball-Bearing HANGERS

THE SKAYEF BALL BEARING COMPANY

165 Broadway, New York City

compilation points to the conclusion that in the ten-year period since graduation, high scholarship men have reached an average annual income of \$3,000, with men prominent in extra-curriculum activities placed at an average of \$10,000 a year. A word of explanation goes along with the figures. Says the instructor:

The statistics do not prove that the men of the highest grades are incapable of earning big money—they merely show these men do not prefer lines of work which are most lucrative.

So we conclude that those who wooed the lamp in college are rewarded in the measure set by their choice of career, and that those who wooed other flames have come to a more golden fortune. Scholars or mixers—young gentlemen in college all have their oil cans. Some there be who burn their oil, and some there be who merely spread it, but oil's well that ends well.

BIG HOTELS are finding fresh distinction in taking thought of how to please the children who come to them as guests. Not so long ago children may have been "undesirable guests," but now they have a welcome at many a great hostel. Where children can go, there will their parents go. That is a conclusion of wise hotel men and they have provided special attractions in character with their conclusion.

Children are highly charged with energy. The manner of its outlet frequently shocks



the sensibilities of their elders. The problem is to provide proper conductors for the high voltage of youthful exuberance. Solution has come with the offering of play rooms, children's barber shops and the like. And what of the embattled babies? Long have they toddled between devils of landlords and the deep blue seas of complaints from the babyless.

Banished though they may be from apartment houses, shall they not find a heaven of rattles in hotels? Youth must be served, and babies are especially deserving of favor. Long live the hotel men for taking kind thought of the spirit of childhood, and long may their hotels stand—as true towers of babble, if need be.

SAUCE for the millionaire may be sauce for the waiter, say old-time waiters of New York City. They have organized the Millionaire Waiters Club. To be eligible for membership a waiter must show that he has really served a millionaire. The club was organized with the purpose of giving the members opportunity to play at being millionaires for one day every year. On that day they are to live in a world of make-believe—to live the life of men of wealth.

An elaborate dinner marked the club's first formal meeting after organization and the election of officers. Before the dinner was served, the club members took a motor ride over Long Island highways, making calls at Meadow Brook and at other exclusive clubs

**NOTE: Tear this out
and send it to a business friend**

To the United States Chamber of Commerce,
Washington, D. C.

Send me the NATION'S BUSINESS, your official monthly publication, beginning with the MARCH number. Bill me later for \$7.50 for the three year term-subscription (OR: I enclose remittance with this coupon).

NAME.....

ADDRESS.....

CITY AND STATE.....

and colonies. The dinner menu included French fruit salad, brook trout, venison steak, stuffed squab, turkey necks stuffed with chestnuts, French pastry, and demi-tasse—surely a feast to pamper any palate and to flatten any purse.

Waiters' unions are no novelty . . . but a waiters' club . . . and millionaire waiters! There's a club to show which way the tips are blowing. The dinner was a testimonial that a millionaire may be a hero to his waiter, but in that form of worship there seems too much playing to the calories.

THE WARDROBE of the average man no longer holds a "Sunday suit," but his garage holds a motor car, says the National Association of Retail Clothiers. That conclusion is imposed on the association by a nationwide investigation. Now the association is wiser, and perhaps a little sadder. No one loves a "Sunday suit," it seems.

In one city in the State of New York, a store that had usually made sales of 150 suits and overcoats after its regular annual campaign, sold only 17 suits and overcoats this year. On the same day of the special sale, automobile dealers across the street sold 25 cars.

Money makes the motors go, and a little installment is a self-starter of a sort. It may be that the automobile is merely the outward semblance of a profound change in our ways of living. Sundays are not what they used to be. Now they are days for clearing off the rust of the whole week—surely, not a job to be done in a "Sunday suit."

Perhaps the clothing men are only indulging in a bit of professional hallooing. Wardrobes are probably not so bare as they may seem. If the "Sunday suit" has passed, there need be no unused suit hangers in the closet—the automobile itself has set a new fashion in clothing. In the division of our interest there need be no alienation of affection. And one installment does not keep a motor car any more than a "Sunday suit" makes a Sunday.

RED GASOLINE would be safer than colorless gasoline, thinks W. A. Jacobs of the Department of the Interior. The use of the color red is regarded almost universally as an indication of danger, Mr. Jacobs thoughtfully explains—it gives warning of peril in rail-roading, in blasting, and in controlling traffic. In fact, the color red has been used so long, he says, as an indication of danger that virtually every one recognizes the need for care when it is displayed.

That's right. We remember certain roseate noses that stood as beacons in our boyhood. Badges they were of long campaigns under the banner of Bacchus. And how they set apart the "horrible examples" with the "demon's" own mark. In fair and foul weather alike, those carmine blossoms of conviviality gave a bright touch of color to small town life that was all too frequently drab and dreary.

But we still have gages to measure the highs and the lows of our spirits. The *spiritus frumenti* of an earlier day has uncertain welcome in these times. Now we may look for motor spirit to advertise its hazards with color. The danger of the flowing bowl may be outdone by the danger of the flowing tank. Internal combustion has progressed from the stomach to the motor, with fueling less from the head than from the hands. It was hard to be caught red-nosed; it will not be so hard to be caught red-handed—if Mr. Jacobs has his way.

Practically Every Man in the World of Industry will want this New Book—

as soon as
the mails
can bring
it to him.

Your copy
awaits your
application.

(NO CHARGE)

We suggest writing for it at once.



"A Pocket Guide to Economy and a Short-Cut to Super-Efficiency."

Sixty pages (6 x 9 inches) of authoritative facts, compiled in business-like sequence. No "advertising romancing," no argument, no "clever salesmanship." Just plain facts for clear heads.

Almost every manufacturing business employs hardwood in some way.

Every man in industry knows the special utility for which Hard Maple is vital—in his own business. Yet every such man will be astonished by the list of 156 specialized applications for which Hard Maple is the established standard material.

New thoughts will spring from the reading of this list and from a study of the official statistics of strength (compression, shearing and tension) of American hardwoods—also, beam-tests, impact-bending; comparative weights of hard and soft woods, etc. Some of those new thoughts may be valuable. 32 illustrations, 2 colors throughout.

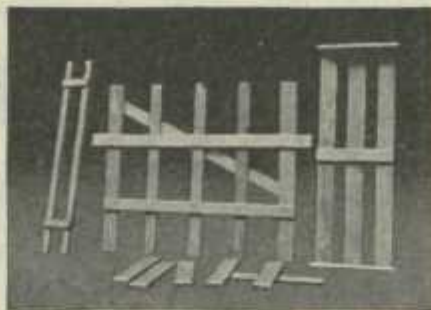
"TAKE THE GUESSWORK OUT OF YOUR WOODWORKING"

A brand-new and invaluable reference volume.

For your copy (with our compliments) please write, on letterhead, to

The Northern Hard Maple Manufacturers

309 F. R. A. Building, Oshkosh, Wisconsin, or
309 Cummer-Diggins Bldg., Cadillac, Michigan



How a Pump Manufacturer Cut His Shipping Costs

Here is an example of the work of one of the Weyerhaeuser Crating Engineers for a large pump manufacturer who formerly shipped his pumps completely enclosed in boxes. The picture on the left shows the pump bolted to the bottom section of the crate; in the middle are the top, side and end sections ready for assembly; the com-

pleted crate is shown on the right.

The outstanding facts in this particular instance are these: A saving in lumber of 34%, which in itself amounts, in round numbers, to 46 cents on each package; and a saving of 50 pounds in shipping weight, made possible by the use of less lumber of a lighter weight wood. The crate is strong-

er than the box because of the three-way corner construction, more bracing and better nailing and is assembled over the pump without turning it or handling it in any manner. To box the pump as formerly it had to be turned over three times during the boxing operation.



Improved Crate Reduces Freight Rate

Weyerhaeuser Crating Engineers frequently uncover unexpected savings. In this instance the crate shown at the right, because of its adequate protection to the contents, entitled the shipper to a one class lower freight rate than he had been obliged to pay on the old crate shown at the left. On the year's volume of L. C. L. shipments a reduction from 1st to 2nd class rate means the saving of a considerable sum.

Other advantages of the new crate are greater strength, a reduction of 13.3 cubic feet in displacement, a saving of 6% in lumber and a saving in labor cost.



Less Lumber—Less Freight

At the top is shown the crate formerly used by a saw manufacturer for circular saws. Below it, in front and back view, the new crate—designed by a Weyerhaeuser Crating Engineer.

Over the entire line of circular saws the new crate effects an average saving in lumber of 33 1/2%. Not only that: Circular saws are shipped largely by express or L. C. L. freight and the saving in shipping weight means a handsome saving in freight and express bills.

How Nailing Jigs Insure Standard Crates and Cut Labor Costs

For shipment of standardized articles or equipment, crates can usually be designed for sectional construction and the required sections made up on nailing jigs with a substantial saving in labor cost.

A simple nailing jig is shown above (top left). The lumber is cut to size in the shop. The various individual pieces are then laid into the jig (bottom left) and the complete crate section nailed together. Metal plates under the points at which the lumber is to be nailed (shown black, top left, above) automatically clinch the nails. In the upper, right-hand picture, the crate section is being lifted out of the

jig and is shown completed at the lower right.

The point about the use of nailing jigs is that crates thus made are always uniform. The sections always fit. Labor costs, both in the shop and in the packing room, are less. Crates can thus be standardized; the packing operation simplified.

Weyerhaeuser Crating Engineers understand the relation of sectional construction and nailing jigs to crating efficiency and labor costs. They not only design and build crates; they follow the whole operation through to include, where necessary, the designing of the jigs as well.

What the Weyerhaeuser Crating Service Has Done for American Shippers During its 21 Months of Operation

LESS than two years ago the Weyerhaeuser Lumber people announced to the American Manufacturer a service in Better Crating.

The response was immediate.

Shippers saw in it the road to lower packing costs, less damage to goods in transit—better relations with their customers.

Railroad men recognized its influence in reducing the number of claims on damaged goods, a large item, by the way, in determining transportation costs and rates.

To the public it meant much needed relief all along the line. More important still it meant another forward step in the practical conservation of our forest resources.

* * *

To date 324 manufacturers have utilized the services of Weyerhaeuser Crating Engineers.

These represent 63 different lines of industry.

Taking their experience all along the line, these 324 manufacturers are saving from 18% to 50% in the cost of crating lumber alone.

Five instances of other savings are illustrated and described in this announcement.

The striking thing about this whole matter is that the crating service worked out by the Weyerhaeuser Crating Engineers does not involve buying *more* lumber—but *less*.

Not more labor—but *less*.

Not more weight—but *less*.

Not more space in the car—but *less*.

Not more costly lumber—but often *cheaper* kinds.

All this is merely an example of how the expert lumber knowledge of a great lumber producing organization is today being personally applied to the individual needs of the industrial lumber user.

In the future you will find the Weyerhaeuser Organization taking more and more responsibility for the benefit of its industrial clients.

* * *

Weyerhaeuser Crating Engineers are available for appointment with industrial concerns during 1924 without cost or obligation.

A booklet, "Better Crating," outlining further the principles of crate construction, will be sent free upon request.

Internal Blocking Important Secret of Crate Efficiency



Bottom Section of Blower Crate—Note how various items are blocked and strapped in place.



Third Step in Crating Blower—Side slats, diagonals and cross braces nailed in place.

The blower crate here shown illustrates the point that a large part of the success in crating many products lies in the internal blocking—that is, in the provision made to hold the contents securely in place within the crate. The crate, in this instance, is made up in sections in the carpenter shop. Much of the blocking is built into the top and bottom sections before they go to the packing room.

This simplifies the packing operation. The packer can do his work easily because he can strap most of the parts in place before the ends and sides are nailed on. In the old crate all of the material had to be packed from the top of the crate, making a difficult operation because the sides and ends were in the way.

Here is an example of efficient packing at lower labor cost, and at a saving of 22.5% in lumber and 7 cubic feet in displacement over the crate formerly used.

Weyerhaeuser Crating Service is always personal to the individual requirements of the job at hand.



Top Section of Same Crate—Blocks and straps prevent movement within the crate.



The Completed Crate—Saves 22.5% in lumber and 7 cubic feet in displacement.



WEYERHAEUSER FOREST PRODUCTS SAINT PAUL • MINNESOTA

Producers for industry of pattern and flask lumber, factory grades for remanufacturing, lumber for boxing and crating, structural timbers for industrial building. And each of these items in the species and type of wood best suited for the purpose.



Weyerhaeuser Forest Products are distributed through the established trade channels by the Weyerhaeuser Sales Company, Spokane, Washington, with branch offices at 208 So. La Salle St., Chicago; 220 Broadway, New York; Lexington Bldg., Baltimore; 2694 University Ave., St. Paul; with representatives throughout the country.



Hotel Poinsett, Greenville, S.C.

How To Get A Modern Hotel For Your Town

What does it take to start a Modern Hotel in your town? It takes the IDEA and the ACTION of one man—a civic leader.

It takes but one man to set the idea on foot and the Hockenbury organization to carry it through!

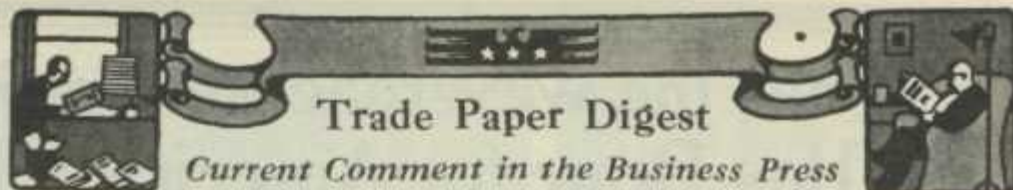
The Poinsett Hotel, of Greenville, S. C., shown above, was, in the beginning, the idea of one man!

Will YOU be the man to see your town stand still for the lack of a Modern Hotel? Set the idea on foot!

If YOU are the man, ask us to place your name on our list "C-3," to receive each month a copy of The Hotel Financialist, a journal devoted to community-financed hotels.

It's sent gratis to readers of THE NATION'S BUSINESS.

The HOCKENBURY SYSTEM Inc.
• Penn-Harris Trust Bldg. •
• HARRISBURG-PENNA. •



Trade Paper Digest

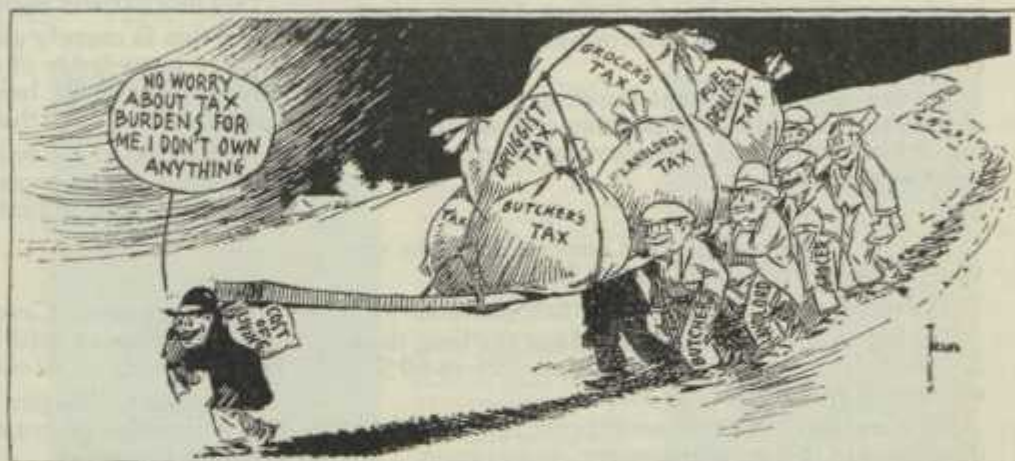
Current Comment in the Business Press

ALMOST with one voice the trade press clamors for such speedy tax relief as might be provided by prompt enactment of the Mellon plan. "Mellon's the most scientific tax law ever proposed," writes Milton Rindler in the *Analyst*; "Plain and straightforward, the plan of the Secretary of the Treasury... can leave no doubt in the mind of anyone... of the wisdom of giving the proposal wholehearted support," observes *Oil, Paint and Drug Reporter*; "It bespeaks the support of all thinking citizens," says *The Black Diamond*; "With a program so simple and desirable there is no good reason why Congress should not consummate it in a week

which *The Iron Age* views the controversy. The present idea of the opponents of the Mellon plan, according to this paper, is that "any business that is administered so successfully as to yield more than a limited return upon its investment should be penalized," and that "those persons should be penalized who earn large income or derive it from investment of past earnings." Continued curtailment of the incentive to produce large income would, in the belief of the *Age* tend to dry it up altogether.

The *Age* adds:

If Congress in bedeviling the plan of Secre-



THE MAN WHO THINKS THE OTHER FELLOWS PAY THE HIGH TAXES

—Drawn in the Chicago Daily News.

or two," declares *The Iron Age*; "The Mellon plan still represents the cleanest cut, most scientific and logical measure before Congress for consideration," agrees *Manufacturers News*, while *The Commercial and Financial Chronicle* comes out flatly with, "The Mellon plan, which reduces all along the line, should not be sacrificed to some political compromise born of political expediency."

Criticism of the Mellon plan will not stand the light of day, continues *The Black Diamond*, and points out that such criticism is based on the fallacy that the income tax paid by each individual is the sum total of the amount he pays the Government. As a matter of fact, this publication observes, a man with an income of \$5,000, married and with two dependents, now pays on his income \$88, but tax experts have figured that he pays upwards of one-twelfth of all he spends, or over \$400 a year, in indirect taxation, the result of high income and corporation taxes. *Black Diamond* continues:

It is very evident that, if we cut his normal tax rate 40 per cent, we save him \$35.20. It is not quite so evident, but nevertheless true, that we have to cut his indirect taxation only 8 3/4 per cent to save him an equal amount. And it is the rates in the higher ranges of income and the corporation taxes that are passed on to the small man in the way of indirect tax. It is no exaggeration to say that if indirect taxation could be avoided every man in the country who now pays on an income of \$5,000 or less could afford to pay three times his present rate and would still be money ahead.

We are still paying income taxes at the war rate, a rate fixed when the inspiration was national safety and the exaction of sacrifices to insure it, whereas the conception now is for a process of economic leveling, is the angle from

tary Mellon should go further in concentrating taxation upon a small class of citizens and letting the millions go free, it will do much to convert this country from a democracy into a tyranny. Secretary Mellon has tried to be fair and in being so has shown himself to be one of the best democrats we have. In drafting this tax reduction he has leaned in generosity to the side of the smaller taxpayers. On sound economic grounds he might have advocated larger reductions of surtaxes and better means of collecting something from the millions who do not now pay any federal income taxes at all.

A similar view is taken by *The Commercial and Financial Chronicle*, which, while upholding the Mellon plan, feels that the maximum surtax rate of 25 per cent hardly goes far enough. Observes the *Chronicle*, "At 25 per cent, or 35 per cent, tax, or any other than a fixed uniform levy, there still lurks penalty, there still remains the inexcusable war-time feeling of 'make the rich pay.'"

The *Chronicle* concludes:

... disproportionate income taxes cause disproportionate increases in the cost of living and thus disorder the whole of trade and exchange. This disorder is a cumulative result. It prevents the reassertion of the law of supply and demand. In certain strike-protected wage scales it aids in the continuance of exorbitant demands, for products are marketed at values sufficient to pay wages and taxes added thereto.

Government by an unjust coercive measure compels the high price just as much as the strike-coercion compels the high price. Not in degree but in principle. Price cannot be equably lowered while the Government enforces this principle of a graduated income tax—and not only this, but prices cannot come



Increased Profits Through Better Machinery

Careful executives responsible for the use and for the design of machinery have found that the expense of shutdowns due to machine failure is often greater than the cost of the machine. The avoidance of costly shutdowns increases profits.

The weak links in modern machinery are the bearings unless they are built to "stand the gaff." Hyatt roller bearings have proved themselves dependable and able to meet the most severe requirements.

In addition to reliability and durability, other advantages offered by Hyatt bearings are reduced power costs and savings in lubricant and lubricating labor.

Hyatt equipped machinery is also easier and more profitable to sell because of these same advantages offered to the buyer.

Complete engineering and sales information on the application of Hyatt bearings to any class of machinery will be furnished upon request.

HYATT ROLLER BEARING COMPANY

NEWARK DETROIT CHICAGO SAN FRANCISCO
WORCESTER MILWAUKEE HUNTINGTON MINNEAPOLIS PHILADELPHIA
CLEVELAND PITTSBURGH BUFFALO INDIANAPOLIS

World's fastest cable

— a few press comments

"The largest and fastest trans-oceanic cable ever manufactured has just been put into service between New York and Paris by the Commercial Cable Company."

London Daily Mail.

"The capacity of the line is 600 letters a minute in each direction. This is more than double the capacity of the older transatlantic cables, the best of which has a capacity of only 250 letters a minute."

—New York Herald.

"Hitherto all communication between Havre and Paris has been handled over French lines. Mr. Mackay has achieved a signal triumph in securing a complete New York to Paris service."

—New York Herald.

"The new cable will supply virtually instantaneous communication between the two continents."

London Daily Mail.

"Only far-sighted business men of courage and resourcefulness could have undertaken and carried to completion this project, which, now that it has succeeded, means that we are nearer Europe than we were before, because it provides speedier means of reaching that part of the world than have hitherto existed."

—New York Commercial.

With the realization that the prosperity of Europe is closely linked with our own prosperity, comes the greater demand for instantaneous communication between the two continents. This cable is the greatest and swiftest link for better business—and better understanding.

The flawless service which this cable offers is available at any Postal Telegraph-Commercial Cables office throughout the United States. In London: Mackay House, Wormwood Street, E. C. 2. Paris office: 24 Boulevard des Capucines. Elsewhere in Europe mark your message "Via Commercial" and file at a Government post office.

**Independent
Competitive
Progressive**



POSTAL TELEGRAPH-COMMERCIAL CABLES

CLARENCE H. MACKAY, PRESIDENT

When writing to POSTAL TELEGRAPH-COMMERCIAL CABLES please mention the Nation's Business

down in an orderly way while the volume of business which should lower prices is used as a means of extortion in the gathering of taxes.

Trade Press Commends Policies of Transportation Conference

A COMMON-SENSE declaration as to what needs to be done and how to do it," is the phrase used by *Oil, Paint and Drug Reporter* to describe the recommendations of the National Transportation Conference of the Chamber of Commerce of the United States, held recently in Washington.

With the conclusion of the conference that a transportation policy based on the Transportation Act of 1920 is sound, the *Reporter* is wholly in agreement, and it also favors "intelligent, elastic regulation by the Government." The *Reporter* further agrees with the conference's recommendations for consolidation and coordination of the several means of transportation.

A little note of disappointment is heard in *Engineering News Record's* comment that "the meeting did not live up to the expectations of the elaborate foundation that was laid for it in any great constructive suggestions," but that paper does regard as very significant the conference's endorsement in most particulars of the Transportation Act. "Before we begin to make anew let us at least approach completion of the planned machine," suggests the *Record*.

"Emphatically reassuring are the conclusions of the Washington conference," says *American Lumberman*, in referring to the conference's recommendation that the Act be given a fair trial. It continues:

That conference was broadly representative and it considered transportation in all its phases; acting upon reports of special committees that had been at work for many months on the problems assigned to them. Its declarations, therefore, in favor of private ownership with regulation through properly constituted administrative agencies rather than through inelastic legislation ought to carry great weight with all who want the transportation question taken and kept out of politics. Its plain statement that the rate making rule in Section 15a of the Transportation Act "is sound in principle and formulated along practical lines" and "is not a guarantee or a cost-plus arrangement" ought effectively to lay one spectre that has been so often paraded for political profit.

American Lumberman concludes:

The conclusions reached by the transportation conference are exactly what would be expected of so representative and intelligent a group acting in a manner calculated to permit and encourage the proper use of facts and the exercise of common sense. It has pointed the way to a means of solving industrial problems of a public nature that should take from demagogues much of their stock in trade. So far as the lumber industry is concerned, it may be counted upon to give its cordial support to the policy outlined in the declarations of the conference.

Trade Commission Often Wrong, Defendants Right, Says "Times"

THAT the Federal Trade Commission may be "more of an aid to lawyers than to business" is the statement contained in a recent editorial review by the *New York Times* of the commission's complaint against the Radio Corporation of America.

A commission which pursues and punishes the wicked is a blessing, says the *Times*, but one which pursues the good, is then overruled on its law and contradicted in its allegations of fact, is of doubtful benefit. The editorial goes on to say:

Not until the evidence is heard, and the courts pass on the law, can it be said positively that the Radio Trust is in restraint of

A MUTUAL ORGANIZATION—FOUNDED IN 1845

New York Life Insurance Co.

(Incorporated under the Laws of New York)

346 Broadway, New York, N. Y.

Seventy-Ninth Annual Statement

TO THE POLICY-HOLDERS:

As a policy-holder you are chiefly interested in the quality of your Company and in the service it renders. By "quality" I mean the character of its business; the grade of its securities; the standards maintained by its Executive Officers.

I can not paint a complete picture, but in order to drive home some of the truth I give you below a picture of the work of one Committee during the year 1923.

During 1923 the Finance Committee made the following investments:

BONDS PURCHASED		
	Cost	Average Yield
U. S. Government Treasury Notes	\$11,013,860.00	4.65%
Domestic Railroad Bonds	13,569,960.00	5.44%
Domestic Municipal Bonds	4,050,912.00	5.02%
Domestic Public Utility Bonds	9,216,596.00	5.49%
Canadian Municipal Bonds	494,700.00	5.24%
British and Other Foreign Bonds	5,470,312.00	5.14%
Total	\$43,816,340.00	5.17%
BOND AND MORTGAGE LOANS MADE		
City Loans	\$59,262,432.00	5.81%
Residential Loans	10,002,094.00	5.80%
Farm Loans	18,097,561.00	5.38%
Total	\$87,362,087.00	5.72%
Bonds bought and B. & M. Loans made	\$131,178,427.00	5.54%
B. & M. Loans renewed	12,991,730.00	5.50%
Total	\$144,170,157.00	5.53%

This total—\$144,000,000.00—was much more than our net income. The Committee believed it saw an opportunity to benefit you through selling and reinvesting, without risk, in order to increase the earning power of invested assets. They therefore sold Bonds amounting to (par value) \$44,845,459.29 during the year, of which \$33,182,900.00 were United States Government Bonds. By this process, and by transferring of certain foreign bonds, in reinsuring foreign business, they increased the earning power of Ledger Assets by over \$1,000,000.00 annually for an average of nine years.

In addition to the Finance Committee we have five other standing committees and several sub-committees. They all work. The standing committees make detailed reports to the Board of Directors monthly. The members of the Board are in close touch with matters of fact as well as matters of policy.

The new business in 1923 was	\$693,000,000.00
The gain in outstanding insurance was over	\$300,000,000.00
The total insurance outstanding is	\$4,300,000,000.00
The admitted assets, at market values, aggregate	\$1,003,773,000.00
The unassigned surplus is	\$69,500,000.00

We have 125 Branch Offices in the United States and Canada, to which over 8,000 agents report.

DARWIN P. KINGSLEY, *President*.

Balance Sheet, January 1, 1924

Bonds at MARKET VALUE, as Determined by Insurance Department, State of New York

ASSETS		LIABILITIES	
Real Estate Owned	\$7,774,440.00	Policy Reserve	\$800,574,178.00
First Mortgage Loans—		Other Policy Liabilities	24,620,009.00
On Farms	66,239,961.23	Dividends left with Company to Accumulate at Interest	13,851,238.99
On Residential and Business Properties	189,255,218.65	Premiums, Interest and Rentals prepaid	3,244,255.04
Loans on Policies	166,267,471.04	Taxes, Salaries, Accounts, etc., due or accrued	7,729,500.32
Bonds of the United States	92,274,810.00	Additional Reserves	9,088,210.00
Railroad Bonds	283,480,416.77	Dividends payable in 1924	54,800,321.47
Bonds of other Governments, of States and Municipalities	130,950,765.53	Reserve for Deferred Dividends	20,352,917.00
Cash	6,835,903.11	General Contingency Funds not included above	69,513,132.58
Other Assets	60,694,776.13		
Total	\$1,003,773,762.46	Total	\$1,003,773,762.46

Since organization the Company has paid to and on account of Policy-holders and Beneficiaries over \$2,000,000,000.00

When writing to NEW YORK LIFE INSURANCE COMPANY please mention the Nation's Business

The most successful

business men, investors and bankers depend upon BABSON'S REPORTS for two things:

1. Complete information of fundamental business conditions.
2. Analysis of the current situation and the particular opportunities it affords.

These same facts and analysis may be worth several thousand dollars to you!



Ask for BABSON REPORT—C41—gratis.

THE BABSON STATISTICAL ORGANIZATION
BABSON PARK, MASSACHUSETTS

THE LARGEST ORGANIZATION OF ITS CHARACTER IN THE WORLD

Who are our 140,000 Subscribers? They are executives in 82,149 Corporations*

In these corporations the magazine is being read by the following major executives:

Presidents.....	33,160
Vice-Presidents.....	15,927
Secretaries.....	15,368
Treasurers.....	7,451
Partners and Proprietors.....	8,569
Directors, Chairmen of Boards, Comptrollers, General Counsels, Superintendents and Engineers.....	6,008
General Managers.....	11,084
Department Managers (Branch—Purchasing—Sales —Export, Etc.).....	10,478
Major Executives.....	110,045
Other Executives.....	8,336
Total Executives.....	118,381
All other Subscriptions.....	21,608

If this audience represents a market for your products, we shall be glad to give you complete advertising details

The NATION'S BUSINESS
Washington, D. C.

*Figures based on a complete investigation of all subscribers in twelve cities.

When writing to THE BABSON STATISTICAL ORGANIZATION please mention the Nation's Business

trade or that the Trade Commission is a nuisance. . . .

The Trade Commission has a record as well as the defendants. It risks no such penalties for mistakes as do the defendants, and therefore makes more of them. The Radio Trust could not survive such errors as the commission makes with impunity. It has issued 1062 complaints, with the result of final action in only 563. The courts have reviewed 35 cases, finding that in 23 the orders of the commission were wholly void. Only in seven were they valid. On the balance of presumptions the defendants would stand a three to one chance of being right and the commission wrong.

The *Times* then quotes the commission's statement in its report for 1923, that continuous litigation has resulted from appeals from its procedure, with the result of "developing the law of business practices under the court's rulings." Hence the observation that the commission has been of more value in drumming up trade for the legal profession than in protecting business.

More Advertising Vital Need, Believes Implement Journal

THAT the farm implement industry is the poorest advertised business in the world is the indictment brought against it by *Farm Implement News* in a late issue.

Twenty to 25 per cent of the retail houses, this paper estimates, change ownership in part or entirely each year due to deaths of firm members, the strain of competition, etc. Unless new accounts are obtained, the manufacturer holds fewer agencies and so moves less volume. Thus the *News* sets forth the need for advertising.

That implement manufacturers are neglecting this means of getting new accounts the *News* shows as follows:

The National Association of Farm Equipment Manufacturers lists 223 active members. Of these only 24 per cent advertise in any of the trade papers in any way, and but 11 per cent advertise regularly throughout the year or run regular seasonal copy.

The great majority of the advertising concerns, continues the *News*, are getting fair business, but the non-advertisers are slipping. Among the reasons for the success of the advertising firms, the *News* gives as an important factor the psychological effect of advertising on salesman, dealer and farmer. "The suspicion arises inevitably that lines behind which there is no evidence of push under present conditions are lines that will be orphans a few years hence," concludes the *News*.

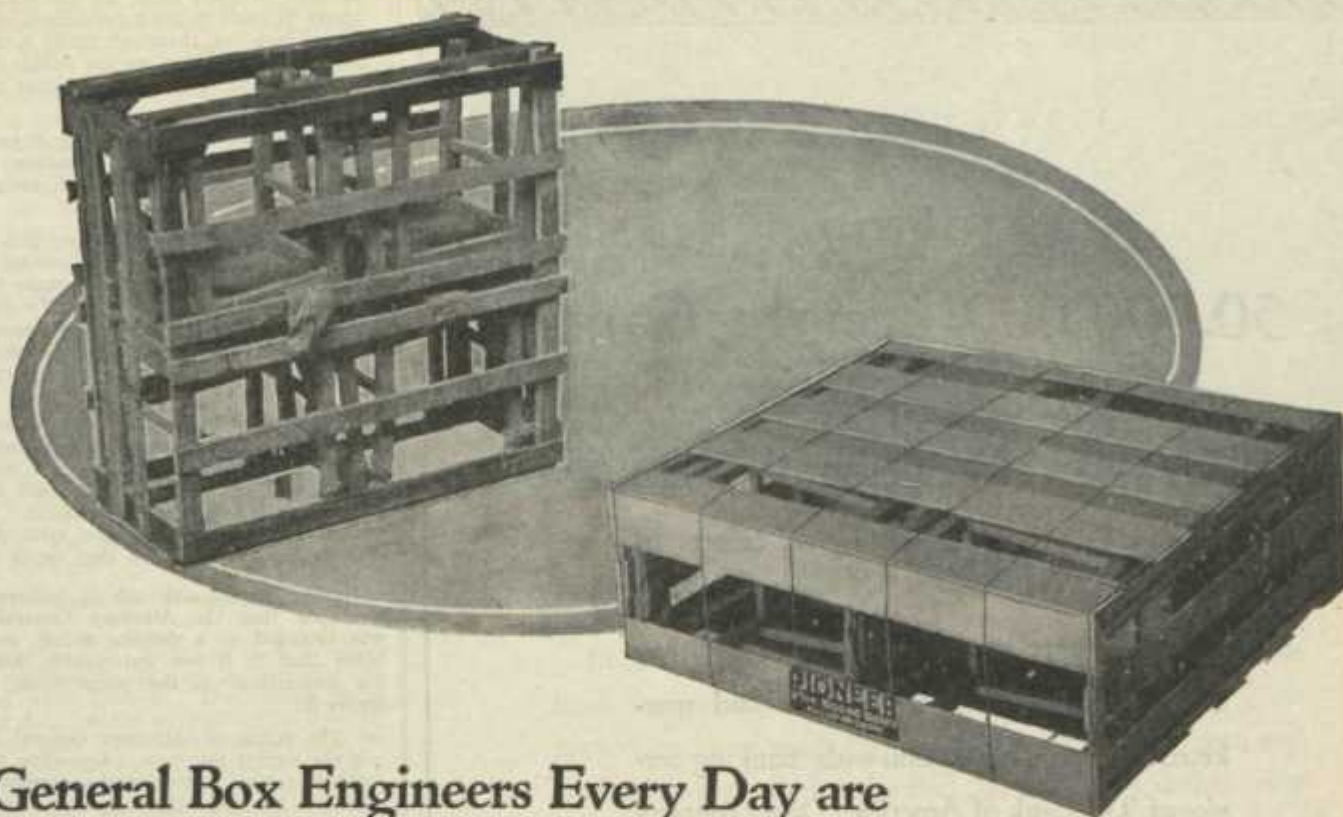
Daugherty Ban on Statistics Is Opinion, Not a Ruling

REACTIONS by the trade press to the recent Hoover-Daugherty correspondence with regard to collection and distribution of statistics by trade associations are remarkably unified, and in general manifest themselves in a frankly expressed belief that Mr. Daugherty's reply is merely an opinion, with no "thou shalt not" quality, expressed or implied, or that, granted Mr. Daugherty wished to enforce this opinion as a ruling, the courts most certainly would sustain the trade association's right to gather and disseminate information.

Says *Southern Lumberman*:

One pertinent fact in connection with this latest development in this much discussed subject is that Mr. Daugherty's so-called ruling is not really a ruling at all, but is in fact merely an informal expression of opinion. But, even if it were a ruling or an official opinion, it should be remembered that there is a great difference between the opinion of even so high an official as the Attorney General of the United States and the findings of a court. . . .

Another fact which stands out clearly when one looks into the court proceedings in which statistical plans have been involved is that



General Box Engineers Every Day are Solving New Boxing and Crating Problems

A furniture manufacturer became interested in General Box Engineering Service. He invited our co-operation.

Above is shown the crate he has been using and the Pioneer Wirebound Crate designed in our laboratory. Following is the story of the economies effected by the new crate.

Cuts Cost in Many Ways

The Pioneer Crate saves money in many ways. It is 15 pounds lighter—cutting transportation costs. It offers better protection to the chairs, reducing damage claims.

We deliver Pioneers three-fourths assembled—cutting the cost of building crates more than one-half. They can be packed more easily and closed in a fraction of the time previously required.

Unpacking is simplified. Clip the wires with an ordinary wire cutter—a matter of seconds. The entire top opens up like the lid of a trunk. One chair can be lifted out, if desired, and the others remain in the crate until needed. Naturally this manufacturer's customers like to receive shipments in Pioneers because they simplify uncrating and storing—and deliver the goods undamaged.

This Service is Available to You

Every day General Box Engineers are developing better and more economical boxes and crates for shippers. It is possible they can help you. It will cost you nothing to find out. Merely write us that you would like to have a General Box Engineer call on you. He will do so as soon as possible.

A copy of "General Box Service" will be sent to anyone interested in the subject of better boxing and crating. Ask for it.

GENERAL BOX COMPANY

504 North Dearborn Street, Chicago, Illinois

SIXTEEN FACTORIES GIVE YOU CLOSE AT HAND SERVICE:

Bogalusa, La.
Brewton, Ala.
Brooklyn, N. Y.
Cincinnati, Ohio

Detroit, Mich.
East St. Louis, Ill.
Hattiesburg, Miss.
Houston, Tex.

Ilmo, Mo.
Kansas City, Mo.
Louisville, Ky.
Nashville, Tenn.

New Orleans, La.
Pearl River, La.
Sheboygan, Mass.
Winchendon, Mass.

Moving 50,000,000 Freight Cars

Nearly 50,000,000 freight cars moved by American railroads during 1923 carried goods from sources of production to centers of distribution.

A fair part of the goods entering New York were produced, transported and marketed through the nation-wide banking service of The Bank of America. Direct contacts in even faraway producing sections, ample resources for the requirements of sound enterprises and long established relationships with commercial and industrial activities enable this service to contribute to the efficient transaction of interstate business.

Either in person or by correspondence we shall be glad to give you further information.



44 WALL STREET, NEW YORK

Trust Department Organized 1888

in none of these cases has the statistical plan stood by itself in being considered by the court. . . . There has, therefore, really been no clean-cut judicial decision on the simple question of whether such activity is within or without the law.

Similarly, *Oil, Paint and Drug Reporter*, which for the following reasons deplores the alarm shown by many at the publication of the Daugherty letter:

In the first place, the opinion is not a dictum of finality. In the second place, the Attorney General did not presume to say that a trade association shall not or even must not distribute informative data. He merely opined that such organization should not be permitted to perform such a function.

And it is our belief that, unless ulterior motives can be proved, the opinion of the Attorney General would not be sustained by any court as a charge of illegal functioning on the part of a trade association. The courts have never condemned the mere distribution of data, and we believe they never will.

Finally, *Paper*, although it inclines more to the view that the Attorney General's opinion was intended as a definite ruling, expresses its belief that it is not enforceable, and counsels the associations in the paper trade utterly to ignore it:

The ruling of Attorney General Daugherty is the veriest nonsense. According to some of the best legal advice in the country, it is not backed by either the law or a court decision.

The various associations in the paper industry are expected to sit tight and ignore the ruling entirely. . . . A symposium of opinions of the leaders of the industry, although they will not be directly quoted, shows that they will ignore the ruling. And it is right they should.

Southern Clothes Prove a Dud, Says Garment Industry Paper

WEAR for southern resorts has few friends among the retailers of this country, according to an editorial article in the garment trade *Review*.

A canvass was recently made by the *Review* of a number of department and specialty stores, and of the forty-six who sent in their opinions, only a very few had anything good to say of this line. All that could be said in favor of it, says the *Review*, was that it gave a dealer an entering wedge for spring publicity directly after the early clearance sales and that it provided "excellent institutional advertising for exclusive shops who could use the Palm Beach offerings to drive home the fact that they were stores catering to the type of people who go south for the winter."

Against it the evidence was much more weighty. In the first place, in the average city of less than half a million inhabitants, families who need this type of clothing are rare, and in many cases, women going south prefer to buy at the shops at the resorts, after they see what is being worn there. The line does not pay its way.

Furthermore, declares the *Review*:

. . . a distinctively new design, when embodied in southern resort wear, is considered passe by the time the regular season draws around. This design might have established a sweeping vogue if it hadn't been killed by premature display. The same holds true of novelty fabrics. . . .

From the manufacturers' standpoint there appears to be little to commend the production of southern resort apparel. The man who devotes his capital and his energy to its manufacture reaps but little, while the style pirates have a most enjoyable time plagiarizing designs which they use in their regular season's line.

Copyists can be seen at almost any time in front of the fashionable department stores

in New York jotting down a few helpful details on the Palm Beach wear being shown. The fact that much of their Palm Beach trade consists of purchases by representatives of these producers is freely admitted by several leading specialty shop men.

Another disadvantage to the producers of southern resort wear, cited by several prominent retailers, was that it encouraged buyers to comb the showrooms in quest of spring goods at a price even before the winter selling season had begun.

Is There Need for Packers

To Enter the Retail Field?

"SHOULD the packer retail?" asks *The National Provisioner*, in a recent issue, and answers its own query as follows:

The suggestion of a representative of the U. S. Department of Agriculture at the recent meeting of the American National Livestock Association, that the packers operate retail meat stores, will hardly meet with favor in the meat industry.

Its reasons *National Provisioner* gives as follows:

The large packers doubtless have troubles enough without taking on a government-supervised retail business. The smaller packers would question the advisability of entering into competition with their own patrons, or taking on the burden of disposing of their entire output for the domestic trade through their own retail markets. The local packer is already in position to operate retail stores if he finds it advantageous to do so.

The editorial goes on to make the point that although there are doubtless many inefficient, poorly conducted markets which are a drag on the industry, there are also probably many inefficient farmers in the country, proving a drag on agriculture, industry and the general public, and that:

... It is hardly the place of the meat trade to say they must be eliminated, merely because that trade is a manufacturer of certain agricultural products (meats), and could produce better meat products at a smaller cost if only the efficient farmers survived.

National Provisioner concludes that the answer to the movement to force packers to operate their own retail stores lies in raising the standard and lowering the overhead of the retail meat market, and that this, it believes, the packers, with the cooperation of other agencies, are helping to do.

Reducing Traffic Jams

By Using Smaller Taxis

"WHY NOT reduce the size of taxi-cabs?" is the novel suggestion made by *Automotive Industries* apropos of a recent estimate made in a letter to the *New York Times* that 21.1 per cent of all traffic in New York is made up of empty or cruising taxi-cabs, which take up valuable space without, at the moment, being in the act of performing any specific service.

The writer of the letter further concluded that New York had twice as many cabs as it needed, and suggested that definite parking stations be assigned to all cabs.

To this *Automotive Industries* replies:

It undoubtedly is true that cruising taxicabs add materially to the seriousness of traffic congestion in New York. Making them smaller and lighter would be one means of conserving space and relieving congestion.

Users of taxicabs have equal rights in the streets with owners of private cars. Cruising, at certain hours of the day, is a great convenience to them and it should not be abolished, although it might be limited to certain periods if enough policemen could be found to enforce such a regulation. But a more important step would be to limit the vehicle size.



Marshaling the Telephone Forces

In the simple act of lifting the telephone receiver from its hook every subscriber becomes the marshal of an army. At his service, as he needs them, a quarter of a million men and women are organized in the Bell System. One skilled corps of the telephone army moves to place him in talking connection with his neighbor in the next block, in the next state or across the continent. Another highly trained corps is on duty to keep the wires in condition to vibrate with his words. Still others are developing better apparatus and methods, manufacturing and adding new equipment, and installing new telephones to increase the subscriber's realm of command.

The terrain of the telephone army is the whole United States, dotted with 14,000,000 instruments, all within range of the subscriber's telephone voice. Even in the remote places this army provides equipment and supplies. Its methods of operation are constantly being improved, that each user may talk to his friends with increased efficiency. Millions of money are spent in its permanent works. Yet its costs of operation are studiously held to the minimum, that the subscriber may continue to receive the cheapest as well as the best telephone service in the world.

The permanent objective of the Bell System army is to meet the telephone needs of the nation—a hopeless task were not its command unified, its equipment adequately maintained and its personnel trained in the latest developments of telephone art.



AMERICAN TELEPHONE AND TELEGRAPH COMPANY
AND ASSOCIATED COMPANIES

BELL SYSTEM

One Policy, One System, Universal Service

Some Questions Answered

Q—What is *The Christian Science Monitor*?

A—A daily newspaper, which is read in every city and country of the civilized world.

Q—How does it differ, in its contents and its policies, from other daily newspapers?

A—It publishes only clean, constructive news, omitting accounts of crime and scandal. It views all events from an international standpoint, and its columns are free from the influence of political or financial interests.

Q—What kind of people read the *Monitor*?

A—People who want a clean, reliable daily paper, telling them the important events of the day, together with interesting news and comment relating to Music, Art, Drama, Education, Literature, Business, Finance, Sports. Household and Young Folks' Pages are also regular features of the *Monitor*.

Q—Do advertisements in *The Christian Science Monitor* bring returns, and if so, why?

A—Advertisements usually give highly satisfactory results, for the reason that readers of the *Monitor* endeavor to encourage and support *Monitor* advertisers, who are contributing to the maintenance and advancement of Clean, Constructive Journalism.

Q—Do retail merchants advertise in the *Monitor*?

A—Yes, about 4,000 of them, located in 450 cities of the United States, Canada and other countries.

Q—Do manufacturers advertise in the *Monitor*?

A—Yes, several hundred, including many whose names are familiar in every household.

Q—What other classes of advertising are prominently featured in the *Monitor*?

A—Banks, Investment Houses, Railroads, Steamship Lines, Hotels, Resorts, Tours, Schools, Camps, Publishing Houses.

Q—Where are advertisements for *The Christian Science Monitor* received?

A—At the Publication Office, 107 Falmouth Street, Boston; at Branch Advertising Offices in New York, London, Chicago, Cleveland, Kansas City, Los Angeles, San Francisco and Seattle; by 375 Local Advertising Representatives throughout the United States and other countries.

Advertising Representatives of *The Christian Science Monitor* will gladly answer any other questions regarding this newspaper.

The Christian Science Monitor

An International Daily Newspaper

Member A. N. P. A. Member Associated Press Member A. B. C.

"Through the Customs Maze"

By CHAUNCEY D. SNOW

A Book Review

THE STOREKEEPER in El Dorado, Arkansas, can purchase a set of chinaware from the manufacturer in East Liverpool, Ohio, with the same tranquillity as would mark the purchase of a similar set of chinaware from a jobber in Little Rock, or Kansas City. But how very different is the case of the storekeeper in Pawtucket, R. I., who sets out to purchase a set of chinaware from Stoke-on-Trent, England, or Dresden, Germany!

Scores of academic writers on foreign trade have gravely assured American business men that business is business, and that there is really not much difference between foreign business and domestic business. Just try that theme on any business man who has actually had some experience in importing dutiable merchandise into the United States, and see what happens.

Benjamin A. Levett, of New York, knows about as much as anyone in this country regarding the United States tariff, the United States customs procedure, and the pitfalls which lie in store for the unwary and the inept importer of merchandise. Mr. Levett is an attorney whose experience in the customhouse field has been extensive and intimate. And now Mr. Levett in a little 200-page book entitled, "Through the Customs Maze," has demonstrated a very sharp-edged skill in describing what the processes of importing dutiable goods into the United States under the Fordney-McCumber Tariff Act of 1922 involves.

American Valuation Problems

THE LITERATURE on the technique of American import trade has not been extensive. Carl W. Stern in New York broke ground in this field in 1916, when his practical little book on "Importing" was first printed.

Now Mr. Levett adds a volume to this literature which is in parts as interesting as a novel, and discloses some of the new difficulties that beset the importer since the passage of our present customs tariff. With rather a cynical touch he pays his respects to "American Valuation" and points out the practical difficulties in classifying merchandise for duty, in determining value, and in pursuing rights and remedies in case of difficulties which are reasonably certain to be encountered.

However, "it is only fair to say that the hardships entailed upon our importing community in the administration of the customs laws are not due to any one political party, whether its policy be 'high' or 'low' tariff. Indeed the Fordney administrative provisions are in the main and in many important particulars far more lenient than those of the Underwood tariff."

Much of the trouble, as Mr. Levett sees it, comes from Uncle Sam's "disquietude as to the honesty of importers." There was a day, it appears, when tariff writing was based on the conception that the honesty and good faith of the importers could be relied upon, and the burden of proving honesty at every turn did not exist. Uncle Sam even allowed the importers time in which to pay the customs duties: "Four months time was allowed if the duty did not exceed \$500, and six to twelve months if it exceeded that sum. At one time the importer was even allowed a 4 per cent discount for cash, and it was not

The photograph at right shows a part of Showers Brothers Company's Bloomington, Indiana plant, which W. Edwin Showers, President, says is the best laid out plan he has ever seen. The H. K. Ferguson Company built this building five years ago, and now are working on their third order for the Showers Company. Note the large areas of unobstructed floor space, the ease of ventilation and the even distribution of light. At closing time (5 p. m.) Jan. 25th, 1924 this entire plant was operating by daylight alone, without the use of a single artificial light in the manufacturing space.



**Ferguson Can Supply
You with Any Type of
Exterior Architecture**



From top to bottom the buildings shown above are those of Library Bureau, Ford Motor Car Co., National Automatic Tool Co., and Robbins & Myers

Do you need additional factory buildings quickly — without premium cost?

Then communicate with The H. K. Ferguson Company at once, before your plans are even started. The Ferguson organization specializes in Industrial Buildings. It has designed, erected and equipped hundreds of them for America's biggest manufacturers.

Do you want your building to be entirely modern in every detail of design?

The H. K. Ferguson Company's designs embody the construction and maintenance experience of twenty years in the industrial field. Light, heat, ventilation, drainage, unobstructed floor space, all are provided, and are guaranteed by Ferguson engineers.

Do you want your building to be strong, permanent, and good-looking?

Ferguson buildings are permanent, made of concrete, brick and steel. They meet every building code. They stand up under every factory load. They are adapted to widely varying types of exterior architecture. Their construction is fully guaranteed.

Does a guaranteed cost and a guaranteed delivery date appeal to you?

The H. K. Ferguson organization includes some of the ablest construction men in America. They will guarantee to erect your building complete on a given date, and for a fixed sum. Many essential materials are in Ferguson's stocks. You will be surprised to know how economically Ferguson can build—right now!

Immediate shipment of structural steel can be made from stocks now owned by Ferguson. You can have a new building in from 30 to 40 working days—without a premium price. A letter, a phone call, or a telegram will bring you the proposition and put Ferguson experience and ability at your disposal.

THE H. K. FERGUSON COMPANY

Cleveland Office: 4900 Euclid Building :: Telephone, Randolph 6854
New York Office: 25 West 43rd Street :: Telephone Vanderbilt 4526

Ferguson

GUARANTEED BUILDINGS



HENRY FORD HOSPITAL, Detroit, Mich.

Equipped with DAHLSTROM Hollow Metal Doors and Interior Metal Trim

Buildings are often called fire proof which would, in case of fire, act like a stove.

The construction is steel. Concrete floors and metal lath are used but—wooden doors and trim are also used. When a fire gets a start, those tile and plaster walls cannot stop it if the openings contain doors that will feed the flames instead of check them.

Dahlstrom Hollow Metal Doors and Trim will stop the flames in such a building—there is nothing in them to burn.

DAHLSTROM METALLIC DOOR COMPANY

423 Buffalo Street - - - Jamestown, New York

NEW YORK OFFICE

25 Broadway

DETROIT OFFICE

1331 Dime Bank Bldg.

CHICAGO OFFICE

19 So. LaSalle Street

Representatives in All Principal Cities

THERE should be one magazine whose advertising pages constitute practically a directory of the best industrial announcements in the country.

Look over the
pages of

The
NATION'S BUSINESS

with this in
mind

WIDMER ENGINEERING Co

Architects
Engineers
Constructors

506 Laclede Gas Bldg. Saint Louis

A large-calibre organization under one management—with complete facilities and field forces to design, build, and equip the most highly approved type of

Industrial Buildings

Under Widmer methods many fees, commissions and profits are overcome. The utmost speed, economy and efficiency is assured.

Widmer guarantees the maximum cost of the building and you pay only one reasonable charge for this complete service.

Submit your building program to us, or a representative will call without obligating you.

"Let Widmer Build It"

until 1842 that full payment on entry was demanded."

Those were the happy days!

To the outsider it looks as if the determination of the value of an imported article ought to be a very simple thing. The tariff law specifies the rates of duty. When you know the value, all you have to do is to apply the rate of duty, and the whole task is done. Yet, the whole accumulation of American customs law, and the development of expert customhouse personnel, and the activities of boards and courts of review for customs cases, and a large part of the work of the customs brokers, and customs attorneys in the United States revolve around these two apparently simple things.

"Why," says a tourist returning from abroad, "I bought an Oriental rug for \$100 and, according to paragraph 116, the duty is 55 per cent. That's perfectly clear; I must pay \$55 duty."

"Oh, no," says Mr. Customs Inspector. "I don't doubt your word at all, but the price of similar rugs evidently went up after you bought that, for at the time your steamer sailed yours would have cost \$150; so we must assess duty on that value. Besides, it has fringe on it, and paragraph 1430, relating to laces, says any fringed article must pay 90 per cent. So I'll have to ask you for \$135."

"Let us suppose that the tourist who brought with him an Oriental rug, had decided to ship it in the regular way, and that the price of such rug had advanced at the time of shipment up to \$200, although he had paid \$100 when he purchased it. His conversation with the Collector of Customs might be somewhat as follows:

Running Up the Bill

"DO I understand you, Mr. Collector, to say that on this rug for which I paid \$100, you now demand a duty of \$330?"

"Yes, Mr. Tourist, but that is not quite all. Under the law it is forfeited to the Government, and if you want it we shall also have to ask you for its "home" value, that is to say, \$200 plus the duty, or \$380, making in all \$710."

"\$710 on a \$100 rug! Would you mind explaining this to me?"

"Certainly not. In the first place, your broker entered the rug at \$100, the appraiser returned it at \$200; that is an undervaluation of 100 per cent. The regular duty is 90 per cent under the lace paragraph because the rug has fringe on it; so that that amounts to \$180. On account of the undervaluation, you must pay 1 per cent of the appraised value for each per cent that you have undervalued. This would be 100 per cent, but the law is lenient and does not assess over 75 per cent in penalties; but of course we have to figure the 75 per cent on the full \$200, so that will be \$150 penalties. One hundred and fifty dollars added to the \$180 makes \$330 regular duty. Now, the law says that if the undervaluation be over 100 per cent there is a presumption of fraud. You may be able to show good faith, but the presumption is against you. While that presumption lasts, if you desire the rug, we can deliver it to you only on the assumption that it has been forfeited to the Government, and that you are willing to pay its American value. This American value is the \$200 at which the appraiser valued it, plus the duty of \$180, making \$380. This added to \$330 makes \$710. Do I make myself clear?"

"Perfectly so. But may I not send the rug back to Europe, and so settle the matter?"

"No, we can't permit you to do that, be-

cause, you see, the rug no longer belongs to you. We might waive forfeiture if you can establish to our satisfaction the good faith of your transaction. In that case you might obtain permission to export it, and thus save the regular duty of \$180; but we have no power to remit the \$150 penal duties for undervaluation. That you would have to pay."

"Well, suppose I give you the rug, then?"

"That will be all right. We'll put it up at our next auction sale of seized goods; but of course if it doesn't bring enough to cover all the duties and charges, we shall have to call upon you for the difference. And by the way, you had better call on the District Attorney and see if he will consent to waive criminal proceedings against you."

Still Another Hitch

MR. LEVETT follows up the rug case through some of the other intricacies of the customs maze, and concludes his book as follows: "Some time after this last interview, the tourist called upon the collector to ascertain why he had not received his rug, his customs broker having advised him that he had made the payments necessary to secure the delivery permit.

"Oh, yes," said the Collector. "I remember; there is still a little matter to be settled. You see, when you brought the rug in, you did not have it marked with the name of the country of origin. Now, the law requires that unless you export the rug you will have to have it marked here under our supervision, at your own expense, and pay an additional duty of 10 per cent of the appraiser's valuation."

"That's all right; I don't care about the extra duty, Mr. Collector, but to stamp that rug will spoil it."

"Not at all; we will permit you to put a tag on it and mark the tag. That will be all right so long as you pay the 10 per cent."

"Splendid, Mr. Collector; and I want to voice my admiration for the wisdom of our lawmakers in providing all these safeguards in the collection of duties. I have been thinking it over, and I must say it is a wonderful system. By the way, I believe I have not told you that I have just started up in the manufacture of domestic rugs. Can you advise me as to how I should proceed in order to have the President increase the rates of duty on rugs under the flexible provisions of the tariff?"

In his introduction Mr. Levett remarks—"It may be well said: 'Let me write the Administrative Act and I care not who fixes the rates of duty.'"

[*"Through the Customs Maze,"* by Benjamin Arthur Levett. Customs Maze Publishing Co., 17 State Street, New York City.]

Other Books Received

The Republics of Latin America, by Herman G. James and Percy A. Martin. Harper & Bros., New York, 1923.

Convenient for reference. Summarizes the forms of government of the Latin republics from Mexico south to Cape Horn. History and economic conditions are equally well outlined.

Business Fundamentals, by Alvan T. Simonds. The Ronald Press Company, New York, 1923.

Some sound sense for business men in the conduct of their own affairs and in other relations of life. One of Mr. Simonds' sensible hobbies is economic education, and he makes a first-rate plea for the teaching of that vital subject not only in the colleges but in the grade and high schools. Mr. Simonds has done something along this line with his annual prizes of \$1,000 and \$500 for economic essays by high and normal school pupils.



By George!
This LIQUASAN is the first LIQUID SOAP I ever saw that was Real Soap!

Liquasan lathers instantly in any water. It contains a little more true soap than the best of average liquid soaps but its outstanding advantage is in the fact that it is made by the Laboratory Method which makes certain that it is always the same—pure, soothing, and sanitary. Your health demands that the public bar of soap be banished. Liquasan is sold at one standard price through leading Office Equipment Dealers everywhere. If your Dealer doesn't have it, send us his name and we will be glad to see that your order is filled promptly.

LIQUASAN
The Liquid Soap-

MANUFACTURED BY

THE HUNTINGTON LABORATORIES

INCORPORATED

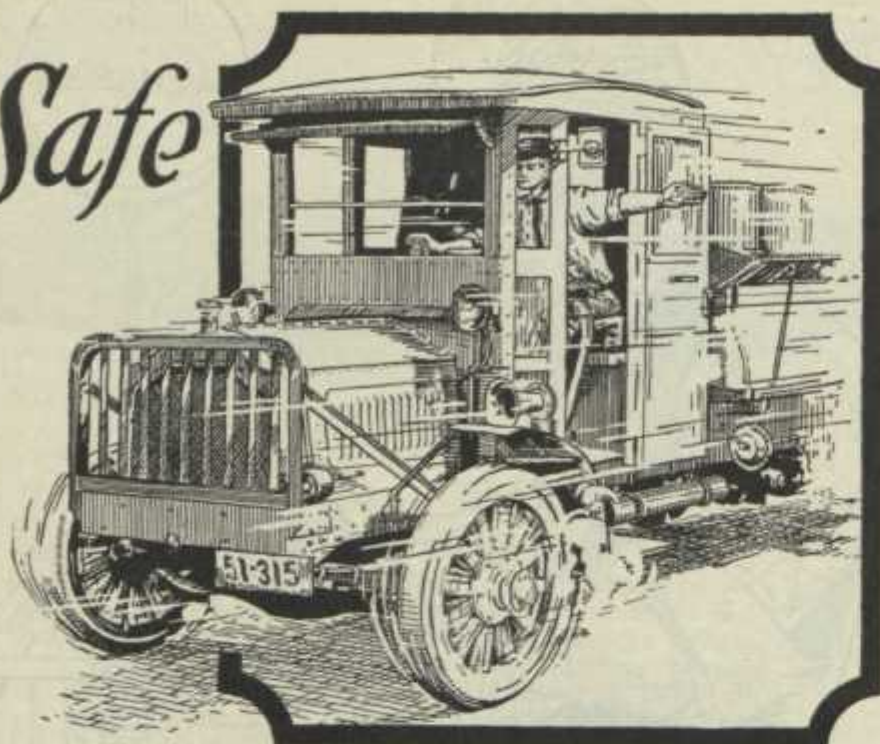


HUNTINGTON
INDIANA



When writing to THE HUNTINGTON LABORATORIES, INCORPORATED, please mention the Nation's Business

Safe



the AUTOMOTIVE AIR BRAKE!

In the vast field of automotive transportation Westinghouse Automotive Air Brakes are growing constantly more essential.

The huge motor truck, for instance, which rumbles down heavy grades and through congested city streets—how, except with the Air Brake, can it be provided with the degree of safety which is demanded by conditions? How else can daily mileage be so readily extended, and earning power increased?

But the truck is not all; any type of motor vehicle can be Air Brake-equipped and its usefulness improved thereby. Write for further information.



WESTINGHOUSE AIR BRAKE COMPANY
Automotive Division, Wilmerding, Pa.

WESTINGHOUSE AUTOMOTIVE AIR BRAKES

Government Aids to Business

Seasonal aspects of construction are considered in a report made by the Division of Building and Housing of the Department of Commerce. The report measures the progress of the division in undertaking an investigation of seasonal construction at the request of one of the committees of the President's Conference on Unemployment.

When the work is ended a final report will be made with probable discussion of weather conditions, and their effect on the efficiency of labor; use, production, and haulage of materials; and the extent of seasonal variations in building activity in cities throughout the country. The report will also include consideration of the effect of customs, such as uniform leasing dates, and other factors not dependent on climate, together with a discussion of methods of economical winter building.

A guide for the prospective small-home owner is now available in a booklet prepared under the direction of John M.

A Guide for Prospective Home Owners

Gries and James S. Taylor of the Division of Building and Housing, Department of Commerce. The purpose of the booklet is to outline the problems of acquiring a home, and to explain the safest and best practice of completing the financial operations required for buying or for building a home.

The booklet has a foreword by Herbert Hoover, Secretary of Commerce, and is obtainable from the Superintendent of Documents, Government Printing Office, Washington, D. C., at 5 cents a copy.

Zoning ordinances were effective in 183 cities of the United States at the beginning of September, 1923, according to a tabulation published by the Division of Building and Housing, Department of Commerce. In addition to the list of cities with zoning regulations, the discussion gives the dates and character of each ordinance, and also references to the legislation in different states.

The division found that more than 22,000,000 persons—about 40 per cent of the total urban population—live in cities in which zoning ordinances are effective. In the first eight months of 1923, 54 cities with a total population of more than 6,500,000 adopted zoning ordinances.

A report on recommended minimum requirements for masonry wall construction is in preparation by the Building Code Committee of the Department of Commerce.

Standards for Masonry Wall Construction

A preliminary report made by the committee was submitted to the individuals and the organizations that have been co-operating in its work, and the final report will reflect their criticisms and suggestions. The complete report will be published as the second report of the Building Code Committee. The committee's first report, Recommended Minimum Requirements for Small Dwelling Construction, is on sale by the Superintendent of Documents, Government Printing Office, at 15 cents a copy.

A study of the distribution of agricultural exports from the United States has been made by H. M. Strong, special

Distribution of Farm Products in Export Trade agent of the Department of Commerce, and published as Trade Information Bulletin No. 177. The bulletin was prepared under the direction of Frank M. Surface as part of the study of world trade in agricultural products authorized by the Sixty-seventh Congress.

In the introduction, Julius Klein, director of



The World's Lowest Priced Complete One-Ton Truck

The constantly increasing use by nationally known concerns of Ford Worm Drive Trucks mounting the new all-steel body and cab is a convincing endorsement of this, the world's lowest priced complete One-Ton Truck. Price \$490.

Meat packers, wholesale and retail grocers, bottlers, coal and ice dealers, creameries, or any business requiring reliable transportation find in this sturdy well built truck the most economical means of delivery.

The body and cab are the latest Ford product, designed and built for general haulage work. The body has steel flare boards, and is provided with sockets which permit the use of

stakes and high side boards or the mounting of a canopy top. Screen sides and end doors are easily installed, making the body readily adaptable for a wide range of business requirements. Loading space is four feet by seven feet two inches.

The efficiency of the famous Ford Worm Drive One-Ton Truck is being constantly demonstrated by thousands of concerns in widely varying lines of business. Ample power, ease of control, mechanical simplicity and every-day dependability, together with the low first cost and exceptionally low operating and maintenance costs are reasons why the Ford One-Ton Truck is the most popular truck in the world.

Any Authorized Ford Dealer will be glad to help you work out your haulage problems

To Fordize is to Economize

Ford

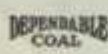
CARS · TRUCKS · TRACTORS

How many of your coal dollars buy coal?

Ashes are cheap—when you buy them as ashes—but when bought as coal they must be paid for thrice. First in the purchase price of coal; second, in subsequent power loss; and third, in heavy haul-away costs. Dirt, non-combustible impurities, and high ash content soon prove cheap coal an expensive economy.

Those in the coal business know that praise is rare. Absolute satisfaction manifested by continued and increasing orders is the only proof we have of our customers' opinion of General Coal Company's products.

If you are a user of coal for power, heat, or gas, we will gladly assist you in producing more—for less.



GENERAL COAL COMPANY

1727 Land Title Building

BUNKER COAL

Supplied at
Baltimore, Md.
Charleston, S.C.
Jacksonville, Fla.
Norfolk, Va.
Savannah, Ga.

PHILADELPHIA EXCLUSIVE SALES AGENT

—FOR—
STONEGA COKE AND COAL CO.
HAZLE BROOK COAL CO.

—AND—
SUCCESSORS TO BUSINESS OF
WENTZ COMPANY

BOSTON
CHARLESTON
CHARLOTTE

DETROIT
NEW YORK
NORFOLK

EXPORT & COAST-WISE COAL

Loaded at
Baltimore, Md.
Charleston, S.C.
Norfolk, Va.



the Bureau of Foreign and Domestic Commerce, shows the importance of the bulletin in pointing out the fact that upward of 80 per cent of our total agricultural exports go to Europe, and that North American countries take another 10 per cent, leaving only the remaining 10 per cent to be distributed to South America, Asia, Africa, and Oceania; that within Europe the small industrial region in the northwest, including the United Kingdom, Germany, France, Netherlands, and Belgium is the dominant importer of farm products, taking four-fifths of all the agricultural exports from this country to Europe and about two-thirds of the total farm products exported from the United States.

Another important fact brought out by the study, says Dr. Klein, is that approximately 80 per cent of the total trade of the United States with Europe consists of farm products, and that manufactured commodities and forest and mineral products together form only 20 per cent of the trade.

Statistics of the water-borne commerce of the United States for the calendar year 1922 have been published by the

The Water-borne Freight of U. S. for Year 1922

Statistical Division of the Board of Engineers for Rivers and Harbors, War Department. The division's compilation presents summaries by geographical divisions, commodities, and classes. Summaries have also been prepared showing total foreign and domestic traffic, and the tonnage and value of the water-borne traffic of the United States, eliminating all known duplications. Tables have been prepared to show the tonnage of important commodities carried by water during the year 1922. The printed compilation includes 1404 pages of text and tables. The compilation is obtainable from the Superintendent of Documents, Government Printing Office, Washington, D. C.

Analytical methods developed by the Bureau of Mines in its studies of rare metals are made available in a bulletin, which includes considerations of cerium, thorium, molybdenum, tungsten, radium, uranium, vanadium, titanium, and zirconium.

American industries are making increasing use of the rare metals, and the possibilities of their further utilization are now in prospect. The bureau points out the possibilities of using the metals in non-ferrous alloys and in special steels, and it explains that the oxides and the salts of the metals are used as pigments and for medicinal purposes. The pure metals are made into filaments for incandescent lamps and targets for X-ray tubes. The metals are also important in alloys.

The bulletin, Number 212, may be obtained from the Superintendent of Documents, Government Printing Office, Washington, D. C., at 40 cents a copy.

The clear, legible and understandable stenciling of containers for goods shipped abroad is essential to satisfactory delivery of the goods, says the Transportation Division of the Department of Commerce in suggesting greater care in the marking of packages. Included among the division's suggestions to assure a better marking are:

The consecutive marking of cases or containers; the use of stencils to make marks of not less than 2 inches and up to 5 inches on large cases—a practice that would enable the marks to be read at a distance of 200 yards; the use of metal tags for marking bales, fastening the tags securely to the metal bands with which the bales are bound; the use of stencils rather than brushes only to make the marks; placing of marks on at least two faces of the packages; having the marks agree in every detail with those shown on the invoices and bills of lading; keeping elements of the marks together in order to simplify the work of persons who handle the pack-

PATENTS

Hand Books on Patents, Trade Marks, etc., sent free. Our 78 years of experience, efficient service, and fair dealing assure fullest value and protection to the applicant. The Scientific American should be read by all inventors.

MUNN & CO.

602 Woolworth Building, New York
Tower Bldg., Chicago, Ill.
Scientific American Bldg., Washington, D. C.
Robert Bldg., 342 Market St., San Francisco, Cal.

Are You 100% Well

Leading physicians agree that every person should have periodical Health Surveys—and that those over 40 should have a physical examination at least once a year.

The information thus gained enables one to determine the proper steps to take to improve chronic conditions and to keep health at its highest possible level.

The latest scientific methods for making a complete "physical inventory" are thoroughly explained and illustrated in the booklet, "THE MEASURE OF A MAN." This booklet will be sent free upon request.



HEALTH EXTENSION BUREAU
4321 Good Health Bldg., Battle Creek, Mich.

The Race in the Contractor's "Shanty"



THERE'S a race in every contractor's "shanty"—a race to get men and materials when needed—to get the building up—roofed and ready within the limit set.

It's up to the contractor or his superintendent to make one operation follow another in proper order and without delay. He knows the value of *timely* deliveries—the labor of storing material that arrives too soon—the loss caused by shipment made too late.

And that is the reason we feel pardonable pride in letters such as the following:

"Your Fenestra Windows arrived on the job just when we wanted them, not too late, nor too early. We had no room, whatever, to use for storage."

"On June 19th, the order was placed. We specified 5 weeks' shipment. On July 3rd, the completed sash were shipped and on July 12th the material was on the job—not so early as to be in the way—in fact, just twelve hours ahead of our erection schedule."

Of course, it is impossible for any organization to maintain shipping schedules without a single error or delay. Fenestra claims no such perfection. But Fenestra deliveries are backed by a distribution system that covers the United States, including three factories and warehouses in principal cities, as shown in the column at the right.

Delivery is but one of the Fenestra five-fold responsibilities: 1—Localized assistance in layout; 2—quick accurate estimates; 3—experienced detailing handled locally; 4—prompt shipments; 5—speedy erection by the Fenestra Construction Company.

They will all have an important bearing upon any building operation you may contemplate. Write today for our new 116-page catalog.

Fenestra Factories and Warehouses

Factories

Detroit Mich.
Oakland Calif.
Toronto, Ont., Can.

Warehouses

Baltimore
Birmingham
Boston
Charlotte
Chicago
Cincinnati
Cleveland
Columbus
Dallas
Dayton
Detroit
El Paso
Helena
Houston
Kansas City
Los Angeles
Milwaukee
Minneapolis
New York
Oklahoma City
San Francisco
Savannah
St. Louis

DETROIT STEEL PRODUCTS COMPANY, T-2244 E. Grand Boulevard, DETROIT
For Canada: Canadian Metal Window & Steel Products, Ltd., 160 River St., Toronto

Fenestra

The Original Steel WindowWall

↖
This Tells
You It's
Fenestra

No Floor Expense In Seven Years



The floor in the Illinois Central Freight House, East St. Louis, Ill. (shown above), is a representative BLOXONEND installation. Although millions of tons of freight has been trucked and dragged across its surface in the past seven years, BLOXONEND is as smooth and substantial today as when laid—not a cent for repairs.

Write for Booklet "M". It tells how you can make an asset of your rough wood or concrete floors by covering them with BLOXONEND—not loose blocks.

Detail within circle shows manner in which the Southern Pine blocks are dovetailed onto baseboards (at Mill) insuring lasting smoothness.



The detail behind circle shows how BLOXONEND comes to job in built-up strips nearly 8 feet long. Sleepers unnecessary.

Carter Bloxonend Flooring Co.

Kansas City, Missouri

New York: 501 Fifth Ave.
Chicago: 332 S. Mich. Ave.

Cleveland: 1900 Euclid Ave.
Boston: 88 Broad St.

Detroit: 1st Nat'l Bank Bldg.
San Francisco: Hobart Bldg.

BLOXONEND

Lays Smooth FLOORING Stays Smooth

Continuous Buying

140,000 business men read these pages monthly. Every day they are buying hundreds of thousands of dollars worth of products to carry on the business of the country.

It is an exceptional audience before which to place your sales messages, particularly if the business market consumes a good part of your output.

The NATION'S BUSINESS
WASHINGTON, D. C.

When writing to CARTER BLOXONEND FLOORING Co., please mention the Nation's Business

ages; the use of a good quality of waterproof stencil ink or paint, with shellac an additional protection if needed; including duplicate sets of markings to insure delivery of the goods should the container markings become illegible or defaced; stenciling of marks directly on goods shipped without containers, rather than using cards or tags attached with wire—because cards and tags cannot be read so easily and may be pulled off by rough handling of the goods; making the marks so that they will stand out in bold relief to facilitate handling and transportation; and the use of caution marks, as "fragile" and "handle with care," in the language of the country of destination.

A handbook on the use of oxygen breathing apparatus for mine rescue work has been published by the Bureau of Mines. Although the bureau has no authority to require the establishment of rescue stations, the purchase of rescue apparatus, or the training of miners, it does provide training in the use of mine rescue apparatus and nearly 30,000 miners in the United States have received training from the bureau's instructors.

The handbook describes breathing devices that enable the wearers to live in poisonous or suffocating gases, as smoke-filled air or air partly depleted of the oxygen necessary to life. Devices of that sort differ widely, the bureau points out. One type is the army gas mask, which removes small quantities of certain poisonous gases from the air breathed. A mask of that type is of no use in a mine and should not be worn in mine-rescue work, the bureau asserts. Another type supplies the wearer with air pumped through a line of hose. Self-contained portable mine rescue apparatus, by the bureau's definition, includes only the kinds of breathing apparatus that are carried entirely by the wearers, with breathable air containing oxygen of high purity supplied from a small tank, bottle, or cylinder included in the apparatus.

Rescue work is expedited by the use of auto trucks operated by the bureau and by mining companies. The bureau maintains 10 mine rescue cars, 11 safety stations, and 10 mine rescue trucks for use at mines in the United States and Alaska.

Copies of the handbook may be obtained on application to the Bureau of Mines, Washington, D. C.

An account of joint-industrial legislation by employers and a trade union for the maintenance of peace in the silk ribbon industry of New York City is given in Bulletin 341 of the Bureau of Labor Statistics.

The trade agreement described in the bulletin is said to be the only one of its kind to provide means for formal arbitration in the textile industry. The agreement was made in April, 1920, and peace was maintained until June, 1923, when the agreement was abrogated by the union. A detailed explanation of the provisions for arbitration is made in the bulletin, and there is sufficient discussion to give a clear understanding of the wage payment plan operating under the agreement.

A complete discussion of the engineering phases of central station electric service under regulation by public service commissions is presented in Circular 56, Standards for Electric Service, published by the Bureau of Standards. The circular includes all the rules of the twenty-two states that now regulate service, a suggested set of rules suitable for use in the other states, and three model ordinances for use of cities desiring to regulate electric service.

The suggested rules and ordinances are applicable to the maintenance of lines and station equipment, methods of measuring and maintenance of meter accuracy, variations in voltage,

standard frequency billing for service and energy used, interruption to service, complaints of meter errors, testing and general relations with customers.

The circular is one of the series of papers of the Bureau of Standards on service standards for public utilities, and is obtainable from the Superintendent of Documents, Government Printing Office, Washington, D. C., at 60 cents a copy.

To meet the need for accurate, impartial and comprehensive information on Latin American

An Investment Survey of Latin-America

finance, the Department of Commerce has begun an investigation which will include every political unit of Latin-America. The information obtained

by the Department will be made available to American banks, bond houses and investors. A preliminary report on Chile has been issued by the Department.

In pointing out the importance of the financial studies, Julius Klein, director of the Bureau of Foreign and Domestic Commerce, said that the trade between the United States and the other American republics, which increased from \$1,073,000,000 for the ten months ended November 1, 1922, to \$1,449,000,000 for the first ten months of 1923, shows the trend of inter-American commercial strength, and emphasizes the need of investigations of the kind begun by the Department.

Permeability tests on various types of building stone are in progress at the Bureau of Standards.

Percolation Rate Determined for Building Stone

A special apparatus has been designed to make tests at pressures up to 400 pounds per square inch. Higher pressures

are possible with slight modifications of the apparatus. The denser the stone, the lower the rate of percolation—stones of the density of granite and marble require high pressures to determine the rate of percolation.

The tests are to provide information for use in the construction of a high dam to be included in the Boulder canyon reclamation project.

Tension tests on samples of Indiana limestone have been made by the Bureau of Standards in

Tensile Values of Limestone

connection with the testing of lifting devices used in hoisting large blocks of stone at the mills and in construction of buildings. The specimens

tested gave tensile values from 300 to 715 pounds to the square inch, an average of 535 pounds to the square inch.

The importance of Philadelphia's port development is discussed in a report prepared by the

Philadelphia and Camden in Port Series

Board of Engineers for Rivers and Harbors of the War Department, in cooperation with the Bureau of Research of the Shipping Board. This re-

port also includes a similar consideration of Camden, New Jersey, and is No. 4 of a series on American ports. Reports on Portland, Maine; Boston; Mobile, Alabama, and Pensacola, Florida, have been published previously.

Copies of the report on Philadelphia and Camden may be obtained for 75 cents on application to the Superintendent of Documents, Government Printing Office, Washington, D. C.

Analyses of samples of coal delivered for Government use, collected from July 1, 1915, to

Analyses Show Quality of Coal

January 1, 1922, are presented in Bulletin 230, issued by the Bureau of Mines. The analyses should be useful in providing data with which power plant results can

be comprehensively studied, and a continuous check maintained on the coal and on the conditions of plant operation.

What Comfort-Lovers Say No. 487

2000 Miles over California Mountains



"MY CAR has been equipped with Hoo-Dyes for a little over ten thousand miles, and they have never been touched. I just returned from a two-thousand-mile trip into the mountains, over some very rough roads, and am thoroughly convinced that the saving of an automobile body more than pays for the Hoo-Dyes in ten thousand miles.

"It is almost impossible to appreciate what your shock absorber does to smooth out a road and save an automobile, unless one drives the same kind of a car without the shock absorber on it."

(Name on request)

No device employing strap connections can possibly control both the upward and downward action of the spring. Such devices must not be confused with the Hoo-Dye double-acting, hydraulic shock absorber which absorbs both recoil and compression by means of a rigid, ball-jointed link. This connecting-rod transmits every axle movement directly to the hydraulic cushions. In no device without such connections or without the marvelous flexible-controlled, non-compressible liquid, as in Hoo-Dyes, can the same comfort and safety be obtained.

THE HOUDAILLE COMPANY, 1470 West Ave., Buffalo, N. Y.
Manufactured by Houde Eng. Corp.



HOO-DYE

Double-Acting Hydraulic Shock Absorber

"Globe-Wernicke"

built to endure

Wood or Steel Filing Cabinets
Visible Index

Structural Strength Safes
and

General Office Furniture

Steel Filing Cabinets
Upper Left Illustration

Steel Upright File
Lower Left Illustration

Visible Card Index
Upper Right Illustration

Structural Strength Safes
Lower Right Illustration

Globe Wernicke Office Equipment is the equipment to select for permanence that will economize in time and labor.

Our catalog No. 822 will be mailed to you on request

Write to Dept. N. B. 92 for it now

The Globe-Wernicke Co.
Cincinnati



Toronto Canada The City of Homes, Health and Happiness

BACK IN the days of the aboriginal red man the site of this city was known by the name of "Toronto," meaning "place of meeting." Toronto was well-named, for it has been a place of attraction from its early days, drawing humanity to it by social, religious, fraternal, educational, commercial and industrial magnets.

Sixty-three per cent of Toronto's people own their own homes. Toronto, Canada, has seventeen libraries and almost five hundred churches. It also has ninety-one standard hotels and scores of theaters. It is the seat of the University of Toronto, which is the largest within the British Empire. Toronto's zoological gardens, the Royal Ontario Museum, the Exhibition Park and the Coliseum, its art galleries, parliament buildings and its new \$10,000,000 Union Station place Toronto in the front rank of the world's finest municipalities.

Toronto, Canada, has a temperate climate. Records for twenty-one years show the average temperature for July and August just under sixty-nine degrees, and for only a few days in summer does the heat exceed eighty degrees. In winter, below zero temperatures are equally rare. Toronto is a healthy city.

The various utilities in Toronto, Canada, are owned by the city—its water, light, power and street railway systems and its abattoir.

The residential sections of the city have long been the source of admiration on the part of visitors—not merely in the more exclusive districts but in the cosy and comfortable home localities of the average citizens. Toronto has excellent police protection, a competent fire department and the various civic offices are administered with efficiency.

Toronto, Canada, has thirty-four hundred different industries turning out manufactured products worth over \$600,000,000 annually. There are reasons for its industrial expansion that will appeal to manufacturers:

- First, plenty of power at low rates.
- Second, ideal factory sites available and particularly those created by the harbor development work in which \$25,000,000 is being invested.
- Third, many buildings erected to accommodate light manufacturing industries.
- Fourth, fine distribution facilities by rail and water including the benefits of the very important British Empire Preferential Tariff.

Out of a total of six hundred and fifty-four American industries located in the Dominion of Canada, two hundred and three have found it to their advantage to establish branch plants in Toronto.

You are earnestly invited to come to Toronto, Canada, and let us show you what we have. The service of the Toronto Publicity Bureau is at your disposal. Free illustrated literature will be sent upon request. All questions will be cheerfully answered, and specific information given on any desired point. All inquiries will be considered confidential. Address Robert M. Yeomans, Executive Secretary, Toronto Publicity Bureau, Toronto, Canada.

The Dome of the Dominion

News of Organized Business

A PRELIMINARY report on the development of Washington as "the Federal City" has been made to the American Civic Association by a committee of one hundred citizens. The members of the committee were invited to undertake the correlation of information already available, and then to proceed by groups to a survey to determine the city's future needs. Leading elements in the community and its different neighborhoods were represented in the committee's membership. Not only did the members of the committee serve without pay, but each one gave \$10 to help meet the expenses of the enterprise.

After the organization of the main committee, with Frederic A. Delano, chairman, subcommittees were appointed to report on the following subjects: Architecture and its relation to the nation's capital; forest and park reserves; school sites and playgrounds; housing and reservations for future housing; zoning; street, highway and transit problems; extensions of metropolitan Washington beyond the District line; waterfront development; industrial development and limitations.

The preliminary report includes 97 pages of text, with maps, charts and tables.

Frank C. Page a New Manager

FRANK C. PAGE, formerly secretary of the American Relief Administration, has been appointed manager of the Department of Resolutions and Referenda of the Chamber of Commerce of the United States, succeeding Ernest N. Smith, who resigned to accept the managership of the American Automobile Association, with offices in Washington, D. C.

Mr. Page has had a wide and varied business experience, which has included investment banking, farming and real estate development. He was graduated from Harvard in 1910 and entered the banking business in New York City. For several months he was private secretary to his father, Walter Hines Page, when his father was the American Ambassador to Great Britain. On his return to the United States he took up magazine work, serving first as an editorial writer for *World's Work* and later becoming editor of the *Red Cross Magazine*. During the war he served overseas as a major in the Aviation Section of the Officers Reserve Corps. At the end of the war he again turned to editorial work, going to Winston-Salem, North Carolina, where he served for a year as managing editor of the *Journal*. In 1921 he was appointed secretary of the American Relief Administration.

Chamber Proposes Tax Reforms

THIRTEEN recommendations for the repeal or reduction of present federal taxes and for changes in the administration of federal tax laws, made by a special committee of the Chamber of Commerce of the United States, have been made public by the Chamber before submitting the recommendations to a referendum vote of member organizations. The recommendations of the committee are:

There should be revision of the normal and surtax rates on individual incomes to an extent equal in its results on revenues to a large part of the surplus anticipated at the end of the fiscal year.

In the rates of federal income tax there should be reasonable differentiation between earned income and other income.

War excise taxes confined to particular businesses should be repealed.

There should be an amendment to the Constitution permitting non-discriminatory taxation reciprocally between the Federal Government and the states of income derived from future issues of securities made by or under the authority of federal and state governments.

There should be set up in the Treasury Department, independently of the Bureau of Internal Revenue, a board of tax appeals, under such conditions of salary and otherwise as will make it possible for the Secretary of the Treas-

ury to obtain the services of men of the highest ability.

The Commissioner of Internal Revenue should be freed of all duties with respect to the prohibition act and the narcotic act.

In the administration of tax laws such conditions for recognition of merit, salary and permanency in tenure for competent men should be established as will make possible an efficient organization and reduce turnover of responsible employees to a minimum.

Congress should direct the Commissioner of Internal Revenue to decentralize administration as rapidly and as far as possible and to report to Congress not later than January 1 of each year upon the progress which has been made.

The various parts of the Bureau of Internal Revenue now located in Washington should be brought together in one suitable building.

Arbitrary assessments designed to extend the limitation period fixed in law should be prohibited.

Taxpayers should be informed of all rulings which may affect their rights, adversely or favorably.

Congress should expressly authorize the filing of a tentative return on the present due date with a right to file a final return not more than three months later.

There should be created a joint committee, with members from both houses of Congress and representatives of the public, to make a thorough study of federal taxes, simplification of the law for the income tax, and improvement in administration, and to report its recommendations to Congress.

The members of the committee who signed the report are: James R. McColl, president, Lorraine Manufacturing Company, Pawtucket, R. I.; Dr. T. S. Adams, Sheffield Scientific School, New Haven, Conn.; Arthur Andersen, Arthur Andersen & Company, Chicago; Guy W. Cox, vice-president, John Hancock Mutual Life Insurance Company, Boston; Philip H. Gadsden, vice-president, United Gas Improvement Company, Philadelphia; Dr. John H. Gray, Northfield, Minn.; Finley P. Mount, president, Advance-Rumley Company, Chicago; J. H. Scales, treasurer, Belknap Hardware Manufacturing Company, Louisville; Hamilton Stewart, vice-president, Harbison-Walker Refractories Company, Pittsburgh; Henry M. Victor, president, Union National Bank, Charlotte, N. C.

Other members of the committee, who did not attend the meeting at which the recommendations were drafted, are: Thomas N. Dysart, vice-president, William R. Compton Company, St. Louis; Granger A. Hollister, vice-president, Rochester Gas and Electric Corporation, Rochester, N. Y.; Frank J. Moss, president, American Sash & Door Company, Kansas City; and Henry C. Stuart, Elk Garden, Va.

Eastern Division Manager Named

F. D. E. BABCOCK has been appointed manager of the Eastern Division of the Chamber of Commerce of the United States, with headquarters at Washington. Mr. Babcock has been actively identified with commercial organization work for twelve years. He has served as secretary of the chambers of commerce at Rockford, Illinois, and at Worcester, Massachusetts, as president of the New England Association of Commercial Executives, and as president of the National Association of Commercial Organization Secretaries. Earlier in his career he was a newspaper man. In his work as manager of the Chamber's eastern division he will have the assistance and the cooperation of an advisory council representative of the interests of the five hundred organizations included in the division.

His appointment is a step in applying the decentralization plan which provides for four main divisions of the country with headquarters at Washington, Chicago, Dallas, and San Francisco. Through the appointment of division managers it is hoped to establish more intimate relations

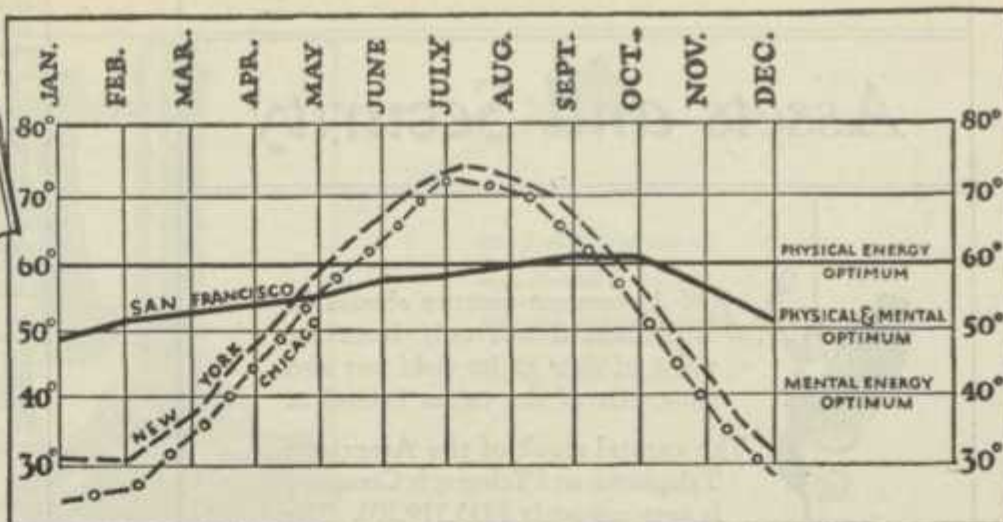
San Francisco Bay District temperatures are closer to the maximum of mental and physical energy than those of any other large manufacturing city in America.

One
Company
operates

10 Plants

but labor efficiency
in this one is

250% greater



1 A large automobile company* finds that \$17 will assemble its cars in the San Francisco Bay Industrial District, as against an average cost of \$42 in its nine other plants—a differential in labor costs of 248 per cent.

2 Breakage for an incandescent lamp company* is reduced 95 per cent in the San Francisco Bay Industrial District, and its average labor efficiency here is 20 per cent above its maximum elsewhere, because of exceptionally advantageous climatic conditions.

3 A soap manufacturing company* finds its labor 20 per cent more efficient than in its eastern plants and "cannot help feel that any eastern manufacturer could profit by the establishment of a plant on the Pacific Coast."

4 A food manufacturer* finds labor in the San Francisco Bay Industrial District "at least 25 per cent more efficient" than in the East, and says, "Every day here is an ideal day for factory employees."

5 A knitted garment maker* finds equal labor efficiency and a higher type of employees than in the East.

6 Another automobile company* finds double the labor efficiency obtainable either in the East or elsewhere in the West.

—And we have many similar reports that support, by actual tests, the scientific proof that San Francisco Bay climatic conditions are the best in the world for labor efficiency.

May we aid you in determining the value of this advantage to your business, considered separately from every other business? Californians Inc., a non-profit organization of citizens and institutions interested in the sound development of the State, is able to offer you this service. The San Francisco Bay Industrial District is the headquarters for a growing market of nine million prosperous people. Write to us if you are interested in this market under the most favorable conditions.



*Name on request.

Have your secretary fill in and mail this coupon

Californians Inc.

Headquarters

SAN FRANCISCO

140 MONTGOMERY ST., ROOM 803

Send me specific information about my opportunities in the San Francisco Bay Industrial District.



NAME _____

FIRM NAME _____

ADDRESS _____

Our product is _____

Assets and Security



AN investment security should be considered not only from the point of view of its yield but also from that of the values behind it.

The capital stock of the American Telephone and Telegraph Company is approximately \$733,519,300. The total assets of the Company are over \$1,223,000,000. Its current liabilities and funded debt are only 22% of its total assets.

Dividends have been paid regularly on the stock for over forty-one years. The dividends have been earned with a surplus which has been reinvested in the business. Investors in the stock get their regular dividends and have the satisfaction of knowing that there is a large stockholders' equity behind each share.

A. T. & T. stock pays 9% dividends. It can be bought in the open market to yield over 7%. Write for full information.



BELL TELEPHONE SECURITIES CO. Inc.

D.F. Houston, President
195 Broadway NEW YORK

Do you want us to send this magazine to your home address each month instead of to your office?

Increasing numbers of our subscribers are asking us to send the magazine to their homes instead of to their offices, so that they will have it handy for leisure moments. If you want us to change your address on our records, write us, giving (1) your present address as it appears on the slip pasted on the cover of this issue, and (2) the new address. We shall be glad to make the change for you.

The NATION'S BUSINESS
Washington, D. C.

When writing to BELL TELEPHONE SECURITIES COMPANY please mention the Nation's Business

between the Chamber and its member organizations, firms and individuals included in the divisions, and to make available to them the complete resources of the Chamber.

Chamber Continues Veterans' Aid

APPPOINTMENT of a permanent committee of the Chamber of Commerce of the United States to cooperate with the Veterans Bureau in obtaining employment for rehabilitated service men has been announced by Julius H. Barnes, president of the Chamber.

Felix M. McWhirter, of Indianapolis, is the chairman of the committee, the other members of which are William J. Dean, of St. Paul, and Frank Kell, of Wichita Falls, Texas.

The committee, appointed at the request of President Coolidge, will continue the work undertaken by the Chamber in enlisting the support of American business interests in behalf of the rehabilitated veterans.

Haiti Chamber Issues Bulletin

THE AMERICAN Chamber of Commerce of Haiti has begun publication of a series of monthly bulletins to guide business men in selling merchandise to Haiti, and in investing in agricultural or industrial enterprises. The bulletins, under the editorship of H. P. Davis, are also to include special articles on economic conditions, trade and commerce, and on the principal products. When the series is complete, the bulletins will constitute a handbook. The first of the series of bulletins was issued in November.

Academy Considers Price of Coal

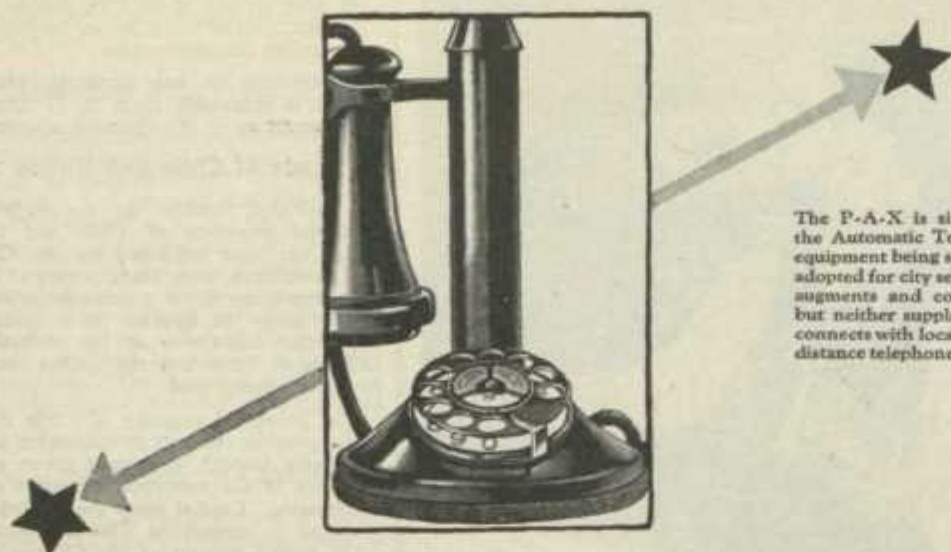
SPECIAL articles on the price of coal are included in the January number of the *Annals of the American Academy of Political and Social Science* at Philadelphia. Among the contributors are economists and investigators who served on the staff of the United States Coal Commission, representatives of coal operators and of dealers, and of trade unions. The volume includes 362 pages of text and charts, together with a selected bibliography on coal prices. An obvious effort has been made to accord representation to all phases of the coal industry, and to preserve a proper balance in the presentation of the different viewpoints indicated in the several articles.

How Portsmouth Builds Factories

WHEN business men of Portsmouth, New Hampshire, saw the need for available facilities to attract manufacturers to the city, they organized a factory building association. The association has completed one building, and it is now considering the purchase of other sites for factory construction. The decision to organize the association is traceable to a campaign made by the industrial committee of the chamber of commerce. Newspapers, magazines, and letters were widely used to inform manufacturers of Portsmouth's possibilities. On the committee's representations twenty-five concerns were placed in touch with the city, but all of them required either financial cooperation or a modern building into which they could move quickly. Buildings of suitable design were not available. That circumstance gave direction to the chamber's decision to interest the community in the erection of a building that could be readily adapted to the requirements of any industry.

To distribute the cost of construction a factory building association was organized with 177 stockholders, each taking one share of stock at \$100. The association was organized under a declaration of trust, by-laws were prepared, and trustees and officers were elected. Land was bought by the trustees, and bids were then asked for the construction of the first factory unit. The cost of organization, land and the first building is estimated at \$60,000. The basis of the entire project is:

Instead of finding a prospect and then building, we built and then found our prospect. This theory is based entirely on the procedure of a man building a house to rent. In build-



The P-A-X is similar to the Automatic Telephone equipment being so widely adopted for city service. It augments and completes, but neither supplants nor connects with local or long distance telephone service.

Matters Settled at Once via the P-A-X

When some matter needs attention in a P-A-X equipped organization it is settled at once.

Via the Conference Wire, the executive and any number of subordinates are permitted to hold a joint discussion while each is seated at his own desk. Time and messenger service are saved, and business goes on without interruption.

For 24 hours a day the P-A-X will handle all your intercommunicating calls, instantly, accurately and automatically. It will save every user 18 seconds a call. It will also save you money, not only because saving time is saving money, but because it dispenses with the services of one or more operators and the necessity of renting a large city phone equipment. Our booklet, "The Straight Line," will give you the facts. Write for your copy.

Automatic Electric Company

ENGINEERS, DESIGNERS & MANUFACTURERS OF THE AUTOMATIC TELEPHONE IN USE THE WORLD OVER
HOME OFFICE AND FACTORY: CHICAGO, U. S. A.

Branch Offices
NEW YORK, 21 E. 40th Street
CLEVELAND, Cuyahoga Bldg.

In Canada—Address
Northern Electric Co., Ltd., 121
Shearer Street, Montreal, P.Q.

Abroad—Address
International Automatic Telephone
Co., Ltd., Norfolk House, Norfolk
St., Strand, London, W. C. 2,
England.

In Australia—Address
Automatic Telephones, Ltd., Men-
den Chambers, Castlereagh St.,
Sydney, Australia.

P-A-X TRADE MARK **THE
PRIVATE
AUTOMATIC
EXCHANGE**

(More than a private telephone exchange—the Automatic Electric Services of the P-A-X include and co-ordinate interior telephony, code call, conference, watchman service and all other inter-communication needs)



Don't WISH You Had Built The Shelving Elsewhere

(Use Van Dorn Convertible Steel Shelving and
Relocate It Whenever Required)

No man living can look far enough into the future to know what shelving is going to be permanently required. Your needs grow! And change! And shift from place to place!

Modern practice is to install Van Dorn Convertible Steel Shelving, built up from standard units wherever required. Whole banks can be moved. Sections taken out or added. All torn down and reassembled. Built around doors and windows or under stairs. Any type of shelves, closets, etc. Closed or open. For light or heavy burdens. Plain or with attractive trim.

Inexperienced office help can do it, and the only tools required are a screwdriver and wrench. Don't use built-in shelving. Send for catalog of Van Dorn Convertible Steel Shelving.

THE VAN DORN IRON WORKS COMPANY

Mastercraftsmanship-in-Steel
CLEVELAND

Branches: Cleveland New York Chicago Philadelphia Washington Pittsburgh

Van Dorn

MASTER-CRAFTSMANSHIP IN STEEL

When writing to THE VAN DORN IRON WORKS COMPANY please mention the Nation's Business

ing a house he invariably has no knowledge of who his tenant may be, but as it becomes known that he has a house, he has no trouble in finding suitable tenants.

Information on any particular phase of the project is obtainable from R. J. Eustace, managing secretary of the chamber of commerce.

Trade of Chile and United States

A 64-PAGE booklet on the reciprocal trade and resources of Chile and the United States has been published by the Chile-American Association, with headquarters at New York. The association is not a commercial organization, but it offers the booklet "as a contribution to the better knowledge of the mutual economic interests of Chile and the United States." The foreword asserts that

The industrial capacity of Chile is shown in the growing currents of commerce through the Panama Canal. The trade grows as a consequence of the reciprocal resources of the two countries. Capital from the United States invested in developing Chilean resources, with the hearty support of the Chilean people and the friendly cooperation of the Chilean government, is one of the principal means of increasing the intercourse. It is a good reason for providing information about the two countries, both in their general aspects and the particular relation which they bear to each other.

Saginaw Board in New Home

THE SAGINAW Board of Commerce is now occupying its new brick building, erected at a cost of \$119,632. The cornerstone was laid on August 14, 1923, and the formal dedication took place on January 10, 1924. The building stands at the corner of North Washington Avenue and Johnston Street, and consists of three stories of fireproof construction throughout. On the first floor are offices for the board's staff, and a spacious auditorium. Two large schoolrooms and two offices are on the second floor. The third floor is designed almost entirely for offices.

Mobile Interested in Tourists

INFORMATION for tourists has place on the first page of the *Mobile Mobilizer* for December. A list of hotels and their rates is printed, and sight-seeing trips are suggested. Invitation is offered to use the facilities of the tourist department established by the chamber of commerce, which are available from 8:30 a.m. to 5 p.m. every week day except Saturday when the department's office closes at 1 p.m. Mobile's history is reviewed briefly, and in its sketch of the earlier Mobile the *Mobilizer* asserts that

America's typical tourist is not the rubber-neck, but the explorer. This desire to travel and see things is a recrudescence of the pioneer spirit. The traveler of today does not gaze at the tallest building nor go into raptures at sight of a cast-metal doll representing some local near-deity. It is the untold story, the unmarked spot and the new path to old scenes that engages the interest of this modern Jason. Ancient monuments will serve only as points of beginning in this survey of Mobile and vicinity.

Plywood Makers Hold Meeting

PLANT superintendents identified with the veneer and plywood industry held a conference at Louisville at the invitation of the Plywood Manufacturers' Association, with headquarters in Chicago. The conference was called to provide a means of giving full and free discussion of problems of the industry, including production operations and equipment. Inspection trips were made to veneering plants in Louisville and New Albany.

The association gave a banquet for the visiting superintendents, and it also arranged for special addresses on important aspects of plywood production by Howard Hobbs, L. Whittinghill, and M. Wulpi. At the close of the confer-

ence, the superintendents decided that similar meetings should be promoted; and that any new problems should be presented for discussion at the next conference.

A Folder from Poughkeepsie

POUGHKEEPSIE'S chamber of commerce desires other communities to know of "the Queen City of the Hudson River." In that purpose the chamber has prepared and distributed an illustrated folder telling of the city's history, of its resources, and of the conveniences and facilities that make it a desirable place in which to live and to do business. Religious, educational, social, and industrial institutions and establishments have place in the text and the pictures. A map of the city and its suburbs is included for ready reference. The folder is prepared so that it may be mailed without a wrapper or envelope.

American Heads British Chamber

WITH the election of James Brown, of Brown Brothers & Company, to the presidency of the British Empire Chamber of Commerce in the United States, the organization for the first time in its history chose an American to fill the highest office. Congratulations on the Chamber's selection of Mr. Brown were offered by J. Joyce Broderick, commercial counselor of the British Embassy, representing Sir Auckland Geddes, retiring British Ambassador. Mr. Broderick expressed his gratification over the election of Mr. Brown, because of Mr. Brown's work to establish more friendly relations between the United States and the Empire.

Los Angeles Likes Pies

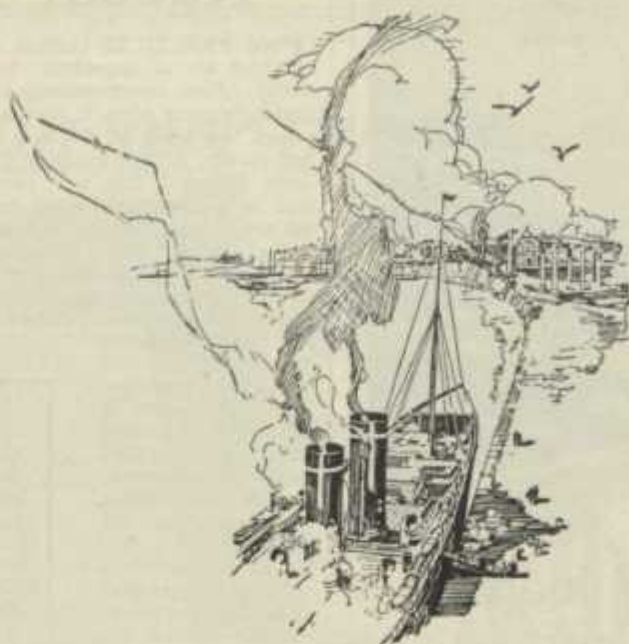
RESIDENTS of Los Angeles eat 36,500,000 pies every year—182,500,000 pieces of pie if each pie is cut into five pieces—according to a statement made to guests at a luncheon given by the chamber of commerce to celebrate the city's attainment of a population of a million persons. In addition to pies, the city's appetite requires 91,250,000 pounds of meat a year, 197,100,000 eggs, 12,775,000 pounds of butter, 32,850,000 loaves of bread, and 40,150,000 pounds of potatoes.

Estimates of the city's population place the number of residents at close to a million, but there is a considerable variation in the results obtained from the several calculations. The street railway company's calculation shows the population at 1,023,000 persons; that of the telephone company, 985,500; that of the gas company, 1,032,212, and that of the school census, 1,002,835.

More than seven hundred members of the chamber were guests at the luncheon.

Coming Business Conventions

Month	City	Organization
6.....	New York.....	National Automobile Chamber of Commerce.
11.....	Philadelphia.....	Anthracite Coal Operators Association.
11.....	New York.....	Board of Trade of the Fur Industry.
11.....	Boston.....	New England Association of Boiler Manufacturers.
11-12.....	New Orleans.....	Southern Pine Association.
12-14.....	West Baden.....	National Association of Brass Manufacturers.
12-13.....	Philadelphia.....	Pennsylvania, New Jersey and Delaware Wholesale Grocers Association.
12.....	Chicago.....	Wholesale Sash and Door Association.
13-14.....	Detroit.....	National Association of Office Appliance Manufacturers.
13.....	Spokane.....	Timber Products Manufacturers Association.
19.....	New York.....	National Association of Waste Material Dealers, Inc.
19.....	St. Louis (?).....	Refractories Manufacturers Association.
19.....	United States Sugar Manufacturers Association.
20-21.....	Boston.....	New England Coal Dealers Association.
3d week.....	Buffalo.....	Bankers Association for Foreign Trade.
26.....	New York.....	Silk Association of America.
29-April 6.....	Cleveland.....	Society of American Florists and Ornamental Horticulturists.



A race for a market

IN A CERTAIN CITY there was a demand for an imported commodity for which the market was limited. Two importers knew that the market existed. Each arranged with his bank for the financing and shipment of an order, and a business race ensued.

The first importer's bank had a highly developed cable service. His order was shipped on the first available steamer.

The second importer's bank lost days in making the necessary arrangements, through an error in decoding a cable. This delay caused his shipment to leave a week later.

Result: The first importer disposed of his cargo at a substantial profit. The second found a saturated market and was forced to store his goods in a warehouse and later to sell them at a loss.

The Cable Department of The Equitable is one of the features of its specialized service to exporters and importers. Its code system and private cipher key are such that chances of error are reduced to a minimum and a very considerable saving in time and cable tolls is frequently effected.

THE EQUITABLE TRUST COMPANY OF NEW YORK 37 WALL STREET

UPTOWN OFFICE
Madison Ave. at 45th St.

IMPORTERS AND TRADERS OFFICE
247 Broadway

FOREIGN OFFICES

LONDON: 19 Moorgate, E.C.2
Bush House, Aldwych, W.C.2
PARIS: 23 Rue de la Paix
MEXICO CITY: 48 Calle de Capochinas

DISTRICT REPRESENTATIVES

PHILADELPHIA: Land Title Building
BALTIMORE: Calvert and Redwood Sts.
CHICAGO: 105 South La Salle St.
SAN FRANCISCO: 485 California St.

Recent Federal Trade Cases

TWO PRACTICES charged as unfair competition are of importance to the hosiery industry. First, representations of a firm that it is a manufacturer when it does not and has never, owned, controlled or operated a mill or factory; and second, selling "seamless hosiery" as "fashioned hosiery." The two practices are considered in a complaint issued by the commission against two partners in business in Philadelphia.

The partners, the complaint charges, buy hosiery from a manufacturer and sell hosiery direct to consumers through house-to-house canvassers and mail orders, and in so doing represent that their concern doing business as "mills" manufactures the hosiery it sells, and is selling direct from manufacturer to consumer, thereby eliminating the profits of the middleman at a saving to the purchaser.

Those representations, the complaint asserts, deceive the public when the facts are as set out in the complaint, that the firm does not now and has never, owned or controlled any factory or mill, and that "the retail prices for said hosiery charged by respondents and paid by purchasers are uniformly as high as or higher than the prices charged by retail dealers in the ordinary course of trade throughout the United States and paid by the public for hosiery of substantially the same quality and purchased in the same quantity."

"Fashioned hosiery" is described in the complaint as hosiery made of a fabric knit flat and of uniform texture and stitching, and closed with a seam. "Seamless hosiery" is described as hosiery knit over a cylinder without any seam by tightening the stitching at appropriate points and places. The second charge of the complaint is that this firm, through its salesmen, offers to the public "seamless hosiery" which is represented to be "fashioned hosiery." In order to aid the deception, which the complaint says is practiced, the firm causes the simulation of a seam to be knit into and upon the seamless hosiery offered as fashioned hosiery.

IN A complaint of unfair competition directed to a California retail fuel dealers association, a number of local associations, wholesalers and individual retailers, the charge is made that competition in the distribution and sale of coal in the state of California has been unduly obstructed and hindered and consumers in that state have been deprived of the advantages in price which they would have obtained from the natural flow of commerce in coal under conditions of free competition.

Specifically, the complaint charges that uniform prices on coal were fixed by the organizations and individuals named in the complaint in cooperation one with another; that the distribution of coal through channels other than those determined by the association was prevented; and that cooperative purchasing associations were prevented from obtaining coal at wholesale under any conditions, and hence the sale and transportation of coal in the interstate commerce was obstructed.

TWO COMPANIES, said to be the largest manufacturers of biscuits and crackers in the United States, have been ordered to discontinue alleged discrimination in prices between chain stores and cooperative buying associations composed of independent retail grocers when purchasing similar quantities of the products of the companies. In effect, the system of discounts granted by the two companies, the commission found, it says, gives to the chain stores an undue

advantage in competing with the independent retail grocers, an advantage that tends substantially to lessen competition and to create a monopoly in the retail distribution of the products of the two companies.

In many localities, the commission asserts, it was impossible for an independent retail grocer successfully to stay in business unless he carried the products of the larger of the two companies, which is said to have 55 per cent of all the biscuit and cracker business in the United States.

Chain store systems, the commission found, were permitted by the two biscuit companies to combine the purchases of all the separate units in the systems for the purpose of receiving a larger discount, but the biscuit companies refused to permit associations of independent retailers, operating stores similar to the units of a chain store system, to buy through cooperative purchasing agencies.

In order to compete with the chain stores in selling the products of the two biscuit companies, the commission says that groups of retailers in different parts of the country have attempted to pool their purchases and obtain discounts equal to those granted to the chain stores. According to the commission, the associations of independent retailers have offered to pay in the same way that the chain stores pay, and have further offered to meet any requirements that the biscuit companies make of the chain stores, but the biscuit companies have refused to grant discounts on gross purchases of cooperative retailers' associations and have continued to sell each independent grocer and to grant discounts only on his purchases as an independent buyer.

The cost of selling the chain system, the commission found, is the same as the cost of selling independent retail stores with purchases equal to the chain stores, and similarly located. The findings of the commission further assert that in many instances a purchaser operating an independent retail store is in direct competition with the chain system unit in selling the products of the two biscuit companies, and the aggregate monthly purchases of the chain system unit are no greater than the independent retail stores, and yet the biscuit companies grant a larger discount to the chain store unit than they do to the independent retail store.

Each unit of a chain store system, the findings state, is treated as a separate purchaser and, in many instances, the same salesman who takes orders from units of a chain store system also takes orders from individual retail stores in the same territory, and the same delivery man who delivers the products to the chain stores also makes delivery to the independent retail store. In many instances, payments for the products of the two biscuit companies are made by the units of the chain store system in the same way that payments are made by the independent stores.

The full text of the order requires the two biscuit companies to discontinue:

Discriminating in price between purchasers operating separate units or retail grocery stores of chain systems and purchasers operating independent retail grocery stores of similar kind and character purchasing similar quantities of respondent's products, where such discrimination is not made on account of difference in the grade or quality of the commodity sold, nor for a due allowance for the difference in the cost of selling or transporting nor in good faith to meet competition in the same or different communities.

Giving to purchasers operating two or more



Reefs of Jeopardy

The wise government places lights and buoys along its coasts on those reefs which are a source of danger to ships.

The wise man will put warnings on those reefs of jeopardy to his life and happiness—sickness and ill health.

It is just foolish for a man to go blindly from month to month without having a check-up on his physical condition. Without knowing it, he may be driving straight for such diseases as Bright's, diabetes, kidney trouble, or any of the many which give no visible warning of their onset, but which can develop in the system unknown until they have become acute.

It is a duty you owe to your loved ones and yourself to have a periodical check-up on your physical condition, so that you may know if some slight irregularity has started. Taken in time, it is easily remedied; neglected, it may mean your physical shipwreck.

Our service keeps this check-up on your system with the least possible trouble to you. It puts the laboratory scientist checking up the state of your health four times a year by means of urinalysis. It costs so little that doing without it is just plain neglect.

"The Span of Life" tells you the whole story, an interesting and important one, well worth reading. You may have a copy free by return mail.

NATIONAL BUREAU OF ANALYSIS

N. B. 34 Republic Bldg.
Chicago Ill.

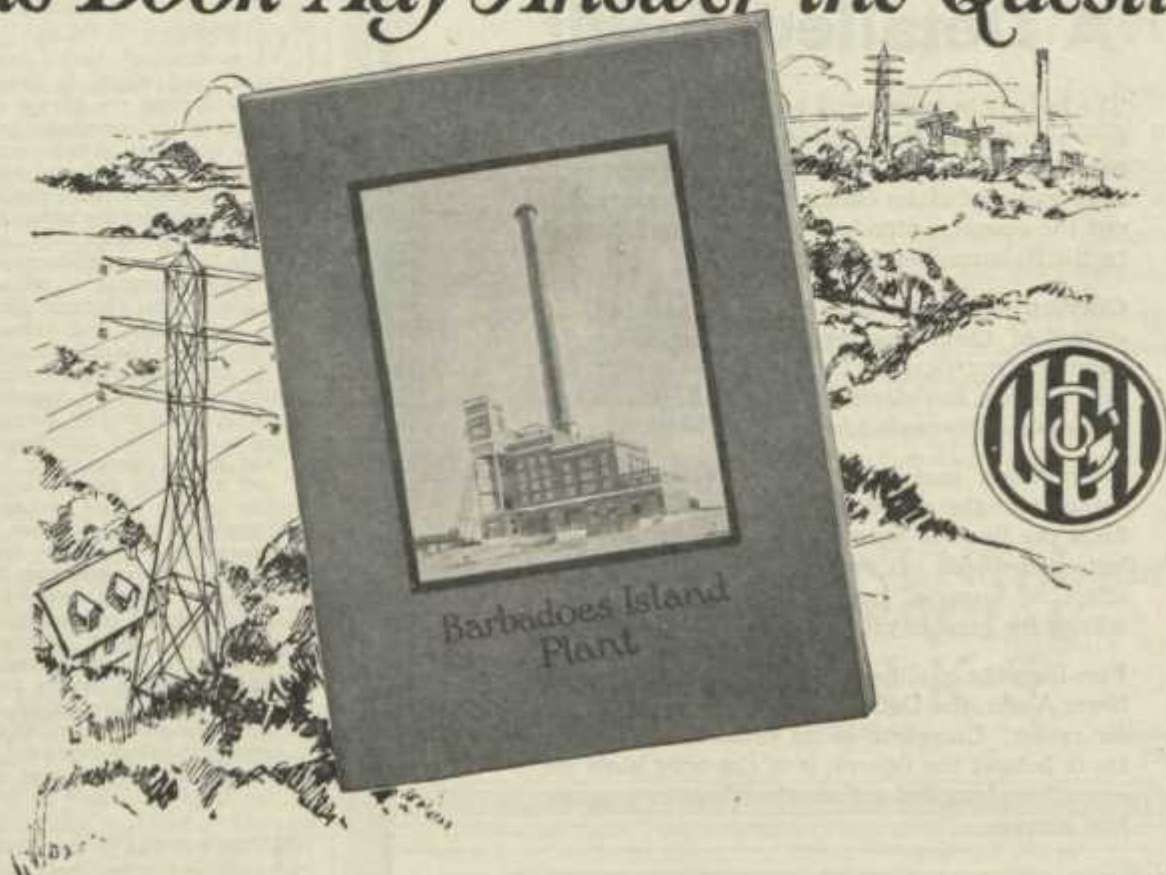
National Bureau of Analysis,
N. B. 34 Republic Bldg.,
Chicago, Ill.

Gentlemen: Please send me, free of charge, a copy of your booklet, "The Span of Life," and full particulars of your plan.

Name

Address

This Book May Answer the Question



Who is Best Fitted to Build Our Power Plant?

THE Booklet contains a complete description of a recent achievement of The U. G. I. Contracting Company—the story of the Barbadoes Island Plant, a most modern central station.

Remarkable not for its size, which is very moderate as present-day stations go, but noteworthy rather for the excellent lay-out which promotes efficiency, accessibility and safety.

Engineers, executives and investors interested in the economics of power plant construction will find valuable information in this book, which will be mailed free on request.

Long experience and a highly trained corps of technical experts enable us to undertake successfully engineering and construction projects of any magnitude.

THE U·G·I·CONTRACTING COMPANY

PHILADELPHIA, U.S.A.

Factories, Power Plants, Bridges, Gas Plants, Public Works

Please send without obligation your new book
describing the Barbadoes Island Plant.

Name _____
Address _____

Every Audit Should Be A Detailed Audit

The leaders in practically every field of business now regard the *Detailed Audit* as an absolute necessity. The Reserve Cities Bankers Association, and most of the Credit Associations throughout the country, stand on record as preferring it to the Balance Sheet Audit.

Offering an expert and independent study in *detail* of the items represented in *mass* by balance-sheet figures, the *Detailed Audit* not only verifies, but clarifies. *It digs beneath the figures and reveals the buried facts.*

Every audit should be a *Detailed Audit*. It brings to light avoidable leaks and wastes. It finds the flaws in accounting, in credit and collection methods. It presents the cause, and the effect, of financial policies. It points to possibilities for greater profits.

Free from the qualified statements of the Balance Sheet Audit, the Detailed Audit is the ideal basis for credit. Complete in its presentation of the *facts* behind the figures, it is the only basis for executive plans and action which lead to progress and success.

ERNST & ERNST

AUDITS — SYSTEMS
TAX SERVICE

NEW YORK	CLEVELAND	DETROIT	MINNEAPOLIS	LOS ANGELES
BUFFALO	CINCINNATI	BRAND RAPIDS	ST. PAUL	ATLANTA
ROCHESTER	TOLEDO	KALAMAZOO	DAYTON	NEW ORLEANS
BOSTON	COLUMBUS	PITTSBURGH	INDIANAPOLIS	DALLAS
PROVIDENCE	YOUNGSTOWN	WHEELING	ST. LOUIS	HOUSTON
PHILADELPHIA	AKRON	ERIE	KANSAS CITY	FORT WORTH
BALTIMORE	CANTON	CHICAGO	OMAHA	SAN ANTONIO
RICHMOND	DAYTON	MILWAUKEE	DENVER	WAGO
	LOUISVILLE		SAN FRANCISCO	

FEDERAL TAX OFFICE: 910 TO 918 MURPHY BLDG., WASHINGTON, D. C.

separate units or retail grocery stores of chain systems a discount on the gross purchases of all the separate units or retail stores of such chain system, where the same or a similar discount of gross purchases is not allowed or given to associations or combinations of independent grocers operating retail grocery stores similar to the separate units or stores of such chain system.

MONOPOLY of radio apparatus and communication, both domestic and transoceanic, and efforts to perpetuate the present control beyond the life of existing patents are charged by the commission in a complaint which names a number of radio companies and manufacturers of electrical apparatus. In the language of the complaint "the respondents have combined and conspired for the purpose and with the effect of restraining competition and creating a monopoly in the manufacture, purchase and sale in interstate commerce of radio devices and apparatus, and other electrical devices and apparatus, and in domestic and transoceanic radio communication and broadcasting."

To attain the present control alleged, the complaint asserts that the companies acquired collectively patents covering all devices used in all branches of the art of radio, and pooled these rights to manufacture, use and sell radio devices, and then allotted certain of the rights exclusively to certain respondents; granted to one corporation the exclusive right to sell the devices controlled and required the corporation to restrict its purchases to certain respondents; restricted the competition of certain respondents in the fields occupied by other respondents; attempted to restrict the use of apparatus in the radio art and sold under patents controlled by the respondents; acquired existing essential equipment for transoceanic communication and refused to supply to others necessary equipment for such communication; and also excluded others from the transoceanic field by preferential contracts.

TWO BUSINESS men of Nashville, engaged in selling leather beds, pillows, and similar articles are charged with representing to purchasers and prospective purchasers that they are manufacturers selling direct to the consumer at best factory prices, thus eliminating the profits of all middlemen, but, it is alleged, that the two men neither own, operate nor are interested in any factory, and that they buy from manufacturers and sell at a profit.

Further allegations are that they represent the selling price of their commodities to be lower than previously charged for the same goods, the representations being deceptive because the prices are much higher than had previously been demanded for the same commodities; and that classes of commodities offered for sale by the two men are of different grades and qualities, the fact being, it is charged, that the commodities so offered are of equal quality but are marked and catalogued so as to deceive the purchasing public into believing that there are differences in quality.

Acts of the sort described in the complaint are to the prejudice of the public and competitors of the two men, is the contention of the commission.

Reprints of Articles

appearing in this magazine may be ordered from THE NATION'S BUSINESS, Mills Building, Washington, D. C.

We will give permission, on request, for the reprinting of articles from THE NATION'S BUSINESS in house organs, or in other organization periodicals.

CREATION of a monopoly in the purchase of scrap iron and scrap steel in the region of the Pacific Coast states is charged against several concerns with offices in San Francisco, Los Angeles, and Pittsburg, California. The concerns are engaged in the manufacture of steel and iron products, and the commission contends that they entered into a combination to suppress competition in the purchase of raw materials used in their plants, and caused to be organized a steel mill and foundry supply company, also named in the complaint. That company was organized, the commission believes, for the purpose of buying scrap steel and scrap iron in the Pacific Coast states and elsewhere, and then selling the scrap to the manufacturing companies cited, the companies subscribing a substantial part of the capital stock of the supply company. After the organization of the supply company,

the complaint continues, the manufacturing companies confined their purchases of scrap iron and scrap steel to the supply company, and refused to buy raw materials from any other source. The manufacturing companies cited in the complaint, the commission says, were virtually the only users of scrap iron and scrap steel in the Pacific Coast states and were able to buy the materials, it is alleged, at far below the fair market value by forcing those who had scrap iron and scrap steel for sale to deal through the supply company.

MAINTENANCE of standard prices at which silver-plated flat ware shall be sold is charged against a manufacturer of Oneida, New York. The numerous methods alleged to have been used by the concern to obtain the cooperation of jobbers, wholesalers and retailers in maintaining prices are listed in the commission's complaint. Among those alleged methods is that of compiling lists of dealers who do not abide by the standard prices, and general difference of treatment between its customers who sell at such fixed prices and those who do not so sell.

According to the commission, the concern's practices effect the sale of its products to the public at uniform prices, and tend to hinder jobbers, wholesalers and retailers handling the products in the free and open competition which would otherwise have existed among them.

A CHICAGO doctor has been ordered to discontinue unfair methods of competition in the exploitation of a patented process for the manufacture of non-alcoholic beer. One commissioner dissented. The doctor, according to the commission's findings, controlled a corporation to which he had transferred his letters patent for the making of near beer, and received a royalty from brewers and manufacturers licensed by the corporation to manufacture near beer by his patented process. The investigation disclosed, the commission says, that the doctor threatened to sue persons using other processes than his own.

The order requires that the doctor, his servants, agents, representatives, and employees, discontinue directly or indirectly threatening by letters or by other means to institute suits against manufacturers of non-alcoholic beer, for the infringement of the process claimed in the doctor's letters patent, without in good faith intending to institute such suit or suits, and in fact following up threatening representations with suit or suits, brought within a reasonable time unless the acts complained of shall be stopped.

The dissenting opinion expressed the belief that the case did not contain the necessary element of public interest, and that "the controversy is a private one which they may settle and which will ultimately be settled in the litigation now pending."

PLATED silver should not be stamped "Quadruple plate" unless it is coated four times with silver, the commission contends in a complaint issued against a manufacturer of Taunton, Massachusetts. The concern, the citation states, manufactured for wholesalers, jobbers, and retailers, table ware and other commodities on which were stamped the words "Quadruple plate." The commission alleges that the products so marked were not coated four times with silver, as is generally understood by the trade and the public to be indicated by the designation of "Quadruple plate."

The concern's acts, the complaint charges, are misleading to the purchaser and are unfair to competitors by creating a preference for the concern's products over those of its competitors who do not mark their silver ware in similar manner unless it is really quadruple plated.

A MANUFACTURER of snuff and other tobacco products, with offices at Memphis, is charged with enlisting and obtaining the support and cooperation of wholesale and retail dealers in the enforcement of a price-fixing plan. Among the alleged methods to compel dealers to sell at the manufacturer's fixed prices is the refusal to sell its products to dealers who did not maintain its fixed prices, and the maintaining of a

INDIVIDUAL BANKING Multiplied By 210,000

Instead of considering our large volume of business *en masse*, we regard *each* transaction as being of importance to ourselves as well as to the customer concerned. Our volume is merely the result of multiplying the business of one average customer by 210,000, the total number of our customers.

We are able to give each customer the advantages of a large organization combined with the close personal co-operation of a neighborhood bank.

Whether your banking business is local, national or international it will receive from these banks—
"An Extra Measure of Service"

The CONTINENTAL and COMMERCIAL BANKS

Ask for our new booklet, "The Making of a Modern Bank"

CHICAGO

Resources More than
\$500,000,000

BEHIND EVERY RELAYING RAIL

FOSTER'S QUALITY GUARANTEE

FOSTER'S SERVICE GUARANTEE



30% to 50% below
price of new rails.

Shipped subject to inspection
and approval at destination.

1 Ton or 1000.

L. B. FOSTER CO., Inc.

Pittsburgh — New York

WASHINGTON
PHILADELPHIA
BIRMINGHAM
HAMILTON, O.
JACKSON CITY

Phone, Wire, or Mail Inquiries
Given Immediate Attention

Relaying Rails, New Rails,
Frogs, Switches, Bolts,
Nuts, Etc.

25,000 Tons in Stock





© Captain James Seydum

Broad Views— for FAR-SIGHTED INVESTORS

VALUABLE lands, buildings, expensive equipment, intricate machinery—these are some of the assets back of the bonds of strong industrial companies.

To such impressive values must be added the less tangible factors of experienced management, earning ability and good-will, if the purchaser of industrial securities is to have a thoroughly desirable investment.

Careful analysis of management and earnings, as well as of physical equipment, always precedes the recommendation of such securities by the National City Company.

Our monthly publication gives a broad range of bonds from which to select. You ought to have a copy.

Call, or upon request we will mail one to you.



The National City Company

National City Bank Building, New York

You will find offices in more than 50 leading cities in the United States, Canada and abroad.

BONDS

SHORT TERM NOTES

ACCEPTANCES

"PHONE" without being overheard



Wonderful sanitary whispering telephone mouthpiece enables you to talk freely without being overheard. —Sold secret conversation. —Every advantage of a booth telephone. Made of glass, quickly cleaned and washed. Instantly adjusted. Money back if not more than pleased. Sent postpaid for \$1.00.

THE COLYTT LABORATORIES—Dept. 7

565 W. Washington Street

CHICAGO, ILL.

CAPABLE EXECUTIVE wants administrative position with manufacturing or industrial company. Training acquired in purchasing and procuring material for railway rolling stock, automobiles, motors and bodies. Address Box 34, NATION'S BUSINESS, Washington.



Ribbons and Inks for the Multigraph Multi-Color Mimeograph Neostyle Address-O-Graph Typewriters, Etc. 1458 Grays Ferry Rd. Philadelphia, Pa.

MAIN and COMPANY Accountants and Auditors

PITTSBURGH HARRISBURG
NEW YORK PHILADELPHIA

list made up of dealers who did not abide by the standard fixed prices, a list made up of names provided by its agents and solicitors and by wholesalers and retail dealers. Other cooperative means to compel the maintenance of resale prices are also charged.

COLLAR buttons manufactured by a company with works at Providence and stamped "Sterling Silver," but believed by the commission to be made of brass or other base metal plated with silver, were advertised and offered for sale as "Sterling Silver Buttons," says the commission in a complaint naming the manufacturing company and a concern in Boston, said to have ordered the buttons.

The acts of the company and the selling concern are a fraud upon the public, to the commission's belief, and are unfair to competitors who do not mark their products with misleading terms.

PRACTICES tending toward destruction of farmers' cooperative grain markets and for retention of a monopoly of the grain business of a city, alleged against a non-stock or membership corporation engaged in the business of conducting a grain exchange for the exclusive use and profit of its members, have been ordered discontinued by the Federal Trade Commission. Men engaged in the terminal elevator, line elevator, and cash and future commission business are chiefly represented in the corporation membership, the commission says. Millers and other grain converters are also included.

A cooperative agency, holding membership in the grain exchange of another city, was affected by the corporation's practices, according to the commission. The cooperative exchange operates on a patronage dividend basis plan. Under that plan, earnings in excess of expenses are returned to grain growers whose grain is sold by it. The grain exchange is not opposed to its members operating on the cooperative plan. The rules of the corporation are opposed to the patronage dividend plan, and prohibit its members from handling grain under that plan, the commission asserts.

Unfair methods of competition declared by the commission to have been revealed through its investigation, and prohibited by its order are:

Conspiring to interfere with, or injure, or destroy, the business or the reputation of the grain exchange or the cooperative exchange, their members and stockholders, or any other competitor of the chamber of commerce by

Publication of false statements concerning the financial standing or business methods of the cooperative exchanges;

Instituting vexatious or unfounded litigation against the cooperative exchanges to injure their credit and reputation;

Compelling members of the corporation to refuse to deal with members or customers of the cooperative exchanges because of the patronage dividend plan of the cooperatives;

Preventing telegraph companies from furnishing price quotations on grain to the cooperatives;

Preventing members of the corporation from doing business according to the cooperative method of marketing grain or patronage dividend plan;

Denying to any organization of farmer grain growers or shippers admission to the corporation because of the plan of such organization to pay patronage dividends on the cooperative plan of marketing grain;

Compelling shippers of grain to its city from certain specified points to pay commissions or other charges unless and until like commissions and charges are paid by shippers from other specified points;

Prohibiting members of the corporation when buying grain "on track" at country points from paying more therefor than the market price prevailing in the exchange room of the corporation, less freight and other charges, or otherwise limiting the exercise of independent judgment of any member as to the price which he shall pay the farmer, country shipper or others, for grain "on track" at country points.



Your Twenty-Cent Morning Paper

Haven't you often awakened in the morning, in some hotel, and wished for a morning paper? And you telephoned down, and it came promptly or tardily, and you gave the boy a dime or a quarter?

That doesn't happen in these hotels. For you find, every morning, that a paper has been slipped noiselessly under your door while you slept—and you don't find a charge for those papers in your bill, either.

And Your Fifteen-Cent Ice Water

Then there's that other annoyance of having to order a drink of ice-water, and wait till it's brought, and tip the boy.

That doesn't happen in these hotels. For a system of circulating ice-water is no further away than your bathroom, and all you have to do, at any time of the day or night, is help yourself.

What About Stationery?

Or perhaps you want to write letters: haven't you been in many a hotel where you had to make a request for paper and envelopes, pen and ink? Probably that boy was tipped, too; and maybe you had to wait.

That doesn't happen in these hotels. For there is always plenty of stationery in your room, with a penholder, new pen-points, blotters—everything you need.

Just for Instance

Those instances of provision for your comfort, of thoughtfulness for your conven-

ience, of better value for your money are typical of many others that you will find in these good hotels. There's the liberal supply of towels in your bathroom, for instance; and a properly-placed light to shave by; and plenty of clothes-hangers; and a pin-cushion with needles, thread, buttons and so on that you find on your dresser. Nor does this foresight stop with equipment and routine; the same thoughtfulness, helpfulness, obtains in the *service of employees* in these hotels. Here is the

Guarantee of Statler Service:

We guarantee that our employees will handle all transactions with our guests (and with each other) in the spirit of the golden rule—of treating the guest as the employee would like to be treated if their positions were reversed. We guarantee that every employee will go to the limit of his authority to satisfy you; and that if he can't satisfy you he will immediately take you to his superior.

From this time on, therefore, if you have cause for complaint in any of our houses, and if the management of that house fails to give you the satisfaction which this guarantee promises, the transaction should then become a personal matter between you and me. You will confer a favor upon us if you will write to me a statement of the case, and depend upon me to make good my promise. I can't personally check all the work of more than 6,000 employees, and there is no need that I should do so; but when our promises aren't kept I want to know it.

My permanent address is Executive Offices, Hotels Statler Co., Inc., Buffalo.

E. M. Statler

HOTELS STATLER

BUFFALO: 1100 rooms, 1100 baths. Niagara Square. The old Hotel Statler (as Washington and Swan) is now called Hotel Buffalo; and the old Ingham Hotel is closed, not to re-open.
CLEVELAND: 1000 rooms, 1000 baths. Euclid, at E. 12th.
DETROIT: 1000 rooms, 1000 baths. Grand Circus Park.
ST. LOUIS: 650 rooms, 650 baths. Ninth and Washington.
BOSTON: Now preparing to build at Columbus Ave., Providence and Arlington Sts.

STATLER

and Statler-operated

HOTELS

Hotel Pennsylvania New York

The largest hotel in the world—with 2200 rooms, 2200 baths. On Seventh Avenue, 32d to 33d Streets, directly opposite the Pennsylvania Railway Terminal. A Statler-operated hotel, with all the comforts and conveniences of other Statlers, and with the same policies of economy, intelligence and helpful service by all employees.

Every room in these hotels has private bath and running ice-water; in every room is posted its rate, printed in plain figures.

NORTON FLOORS



**Durable
Slip-proof
Quiet**

Use them where
you have been
obliged to make
frequent replace-
ments.

Is there in your factory a much used ramp or tunnel where the truck wheels wear away the floor rapidly?

In the ramp shown here, Alundum Tile has taken the place of steel cleats. Six hundred pound loads of pig-iron and castings have been wearing away floors in this location in a foundry. The slipperiness has been eliminated, and great economy has been effected by the installation of Alundum Tile.

There are Norton Floors for all places where there is heavy traffic and a slipping hazard. They are durable—slip-proof—quiet.

NORTON COMPANY

WORCESTER

MASS.

New York

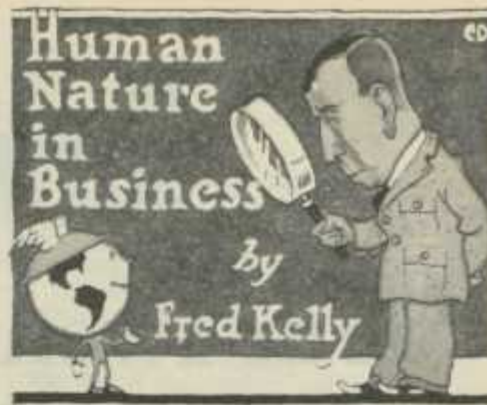
Chicago

Detroit

Philadelphia

NORTON COMPANY OF CANADA, LIMITED
HAMILTON ONTARIO

T-89



WHILE waiting outside a phone booth at a little club I belong to, I chanced to hear a man carrying on a conversation with a woman. Evidently she had recently suffered some great misfortune and he, an old friend of the family, was trying to comfort her. Over and over again he told her:

"No one could feel more sorry about all this than I do and I want you to feel free to call upon me if I can at any time be of the slightest help. I appreciate the patience and fortitude you have shown through this whole difficulty. Now do call on me whenever you need me, no matter if it's in the middle of the night. It will be a pleasure to try to aid you in any way I can. I know how discouraged you must feel right now, but I'm sure things are going to be brighter for you —"

I reflected over what an unselfish, neighborly person the speaker must be to take such interest in some poor woman's troubles. Then he added:

"Mrs. Smith, right across the street from you, had just such difficulties with her furnace, in the house she rented from us, but we finally got it fixed."

When the man emerged from the booth I recognized him as one of our leading and most enterprising realtors.

"WE LIKE to have tenants who receive as few callers as possible," said the manager of a big office building. "Those who have a stream of people coming all day long help to congest the elevator service. On this basis a high-priced surgeon is more desirable than a dealer in cheap building lots, for fewer people are able to consult the surgeon than might wish to talk about the lots. The ideal tenant, though, would be a novelist. We once had one. He wanted a quiet place to work and didn't let any of his friends know where he was. His name was not in the building directory and he didn't even receive mail there. I don't believe he had a single caller during the eleven months he was with us. I'd like to manage a building for hard-working novelists."

A YOUNG man carrying his arm in a sling applied to the manager of a machine shop for a job. The talk turned to the nature of his injury and the young man mentioned a number of other accidents that had befallen him. He had suffered a fractured arm four times, once nearly lost his eyesight and had gone through innumerable narrow escapes. There was a touch of pride in his voice as he narrated these things. He evidently felt himself a bit of a hero. But he didn't get the job he sought.

"I wouldn't dare have him around," the machine-shop manager told me afterwards. "He's evidently careless or he wouldn't have had so many more accidents than an average

Complete Index of All Articles in The NATION'S BUSINESS during the year 1923 now ready

Sent without charge to you at your request. A convenient cross-indexed reference to the copies you have been keeping.

The NATION'S BUSINESS
Washington, D. C.

person's share. We can't avoid *all* accidents, but this fellow was evidently born without a large sense of caution. He is probably just as careless in his statements as he is about his body. Sooner or later he might get into trouble here, blame us for it, and then sue for damages."

ALARGE manufacturing concern used to pay the regular salaries to any of their employees who were taken ill. They still do so, but now whenever they hire a man they take out health insurance for him and pay the premiums themselves, as a matter of economy.

THE CHIEF statistician for a big bank in St. Louis recently declared that nine business men out of ten are unable to interpret even the simplest kind of business chart.

NATHAN W. MACCHESNEY, a Chicago attorney who has specialized on real estate law, was trying to get passed a state law to raise the standards of real estate dealers by having some kind of character and intelligence requirements before one should be permitted to practice. Speaking to a member of the legislature, MacChesney said: "We don't want the real estate field made up of no-account men who can't do anything else."

"Well," seriously inquired the legislator, "if such men can't go into real estate, what can they do?"

IM CONSTANTLY being amazed at the things statisticians can figure out. A shoe manufacturer tells me that the per capita consumption of shoes in the United States has been reduced between 6 and 7 per cent in the last twenty years because of automobiles and better highways. We not only ride more and walk less than formerly, but are less likely to get our shoes wet because of unpaved roads or poor sidewalks.

W. W. BUSICK, JR., an Elyria, Ohio, merchant, declares that the most effective window display is one showing high-priced articles *without* price tags along with low-priced articles *with* price tags.

IT IS not easy to avoid whistling tunes that publishers want us to whistle. Just recently I was in a music publisher's office while he was in the midst of selling to a phonograph company the rights to a song to be published three or four months later.

"When the song becomes popular," he explained, "they'll have the phonograph records all ready for the market."

"But how do you know," I inquired, "that it will be popular?"

"Oh, we'll attend to that," he said. "Of course it has to have an element of tuneful merit to begin with, and we'll arrange with vaudeville singers to sing it, with music teachers to teach it, with theater and restaurant orchestras to play it, and otherwise drum it into people's ears until they just can't help whistling it."

To think that even now there are men who know what kind of tunes I'll whistle next spring and what shape of hat I must wear next winter, and I'm powerless to help myself!

JOHAN VALENTINE, secretary of the Huron Commercial Club, of Huron, South Dakota, writes to remark that when a man with only city experience opens a restaurant in a small place, he often makes the fatal mistake of having the lunch counter and the



The Growing Popularity of the Face Brick House

HOME, the most cherished dream of the American family, finds its truest expression when beauty and durability are combined with economy. That is why Face Brick is increasing in popularity year by year. Its wide range of color tones and textures satisfies the most divergent tastes. It is durable as the hills. The savings in repairs, painting, depreciation, fuel costs and insurance rates soon wipe out the slightly higher initial cost of the Face Brick house and make it the most economical home you can build. These matters are fully discussed in "The Story of Brick." For your copy, address American Face Brick Association, 1730 Peoples Life Building, Chicago, Illinois.

Booklets you ought to have:

"*The Story of Brick*," a most artistic, illustrated book with indispensable information for anyone thinking of building. So interesting that it is used as a reader in a number of schools. Sent free. "Invaluable to home-builders. Information well worth \$5.00," says one of hundreds of enthusiastic readers.

"*Face Brick Bungalow and Small House Plans*" embrace 96 designs of Face Brick bungalows and small houses. They are issued in four booklets, 3 to 4-room houses, 5-room houses, 6-room houses, and 7 to 8-room houses. The entire set for one dollar; any one of the books, 25 cents. Please send stamps or money order. "I would not part with them

for a hundred times their cost. They are simply invaluable to me."

"*The Home of Beauty*" contains 50 designs of Face Brick houses, mostly two stories, selected from 350 designs submitted by architects in a nationwide competition. Sent for 50 cents. "The Home of Beauty" is far ahead of any book of house plans I have ever seen."

"*The Home Fires*" is a new book containing 20 attractive original fireplace designs, 25 pictures of fireplaces designed by well-known architects, and an article on proper fireplace construction. Sent for 25 cents. "We are truly delighted with this piece of literature."



If it goes astray where is your security?

NO ONE can guarantee the safe arrival of your parcel post package. But—prompt financial reimbursement is guaranteed in case of loss if you enclose a coupon from the North America's Insurance Coupon Book in every package.

No red tape delays—the coupon stub is the only shipping record required.

Call up today for details about our rates for Parcel Post Insurance.



Insurance Company of North America

PHILADELPHIA

"The Oldest American Fire and Marine Insurance Company"

Insurance Company of North America,
Third and Walnut Sts.,
Philadelphia, Pa., Dept. N-2

Name.....

Street.....

City..... State.....

Write information on Parcel Post Insurance

dining tables all in the same room. This is all right in a large city where people do not know one another, but in a small place, men at the lunch counter in their working clothes do not like to dine within sight of their fellow-townsmen who are eating in greater style. Mr. Valentine mentions a small-town restaurant that was saved from bankruptcy by the simple plan of putting up a partition to separate the lunch counter from the tables.

A WIDELY known manufacturer discovered that a bright idea must be proposed three times before it is heeded. We'll suppose that an employe goes to his foreman and says: "If you painted the walls white, we could all see better and work faster without having to burn so much electricity." The foreman says yes, maybe so, but he pays no attention to the suggestion. He secretly thinks that it probably isn't practical, else it would have been done long before. A few months later, another employe offers the same suggestion. This time the foreman thinks perhaps the plan might be good and intends to try it some day, but doesn't get around to it, and forgets all about it. Then a third man proposes the identical idea. This time the foreman is convinced that it is good. Without recalling exactly where, he has a vague recollection of having heard of it before. There must be something in it or he wouldn't keep having this idea come to his mind. So he adopts it, and the man who made the suggestion—not the first one, but the most recent one—is rewarded. The man who suggested it a year previous gets no credit.

Having discovered that it takes three attempts to put an idea over, the manufacturer mentioned has all suggestions made in writing and kept on file. Then when a new idea is adopted the man who first thought of it, as well as the last one to suggest it, receives a reward. Moreover, the foreman who failed to adopt it when he first heard about it must help to pay the reward.

THE BIGGEST luxury in the world is the price we pay for living close to other people. Rents are ordinarily high in proportion to how great is the pressure of human beings trying to live in that neighborhood. If you go to the country or to a small place where not many people live, rents are comparatively low. Many persons are just as well off as to earning power in a small place as in a large city. The higher rent they pay in the city is luxury money. Even a surprising number of the industries in a great city might just as well be carried on in villages. Recently I stood in front of a large candy factory located amid belching smokestacks of a great industrial center. Is the candy any more palatable for this location? Would not both the product and the workmen be better off if the factory were in a village?

THE HEAD of a corporation recently had his salary raised from \$35,000 to \$50,000. Some one asked him if reaching this flattering salary figure gave him the biggest thrill of his business career.

"No," he said, "the greatest kick a man can ever hope to get from business is when he first discovers that he is able to support himself and supply all present needs by his own effort. The biggest job I ever had was one that paid me \$12 a week; on that salary for the first time I was able not only to buy my own clothes but to pay board to my father and mother. I was no longer dependent on or beholden to anyone!"

Your Will— Have You Made It?

EXPERIENCE shows that few men have made their Wills. At the death of E. H. Harriman, the world was amazed at the brevity of his Will.

He was one of the greatest financial geniuses this country has produced, and yet his Will was one of the shortest complete Wills ever probated.

Its exact form has often been followed by others. If you have not made your Will, you may be interested in seeing a copy of this now famous document, which made provision for the distribution of an estate of millions, and which was effected without legal difficulty.

Shall we forward you a copy of this Will,—with a form of Will based thereon, adapted to the laws of the State in which you reside,—which may be conveniently used in making your own Will.

Address Inquiries to Agency
Department

John Hancock
LIFE INSURANCE COMPANY
80 SOUTH MASSACHUSETTS

Home Office Building, 137 Clarendon
Street, Boston, Massachusetts

Every Shipper Needs this Reference Book



FREE!

28 Pages—80 Illustrations

HERE is an invaluable guide for shippers. Not a catalog but a complete, pocket-size manual, containing all the information the shipper needs for proper and economical selection, packing, sealing and shipping of corrugated fibre boxes. Hundreds of pages of complicated packing regulations—boiled down into simple, easy-to-follow instructions.

This manual tells how to select the right type of box. Shows how to pack various products correctly and how to seal every style of corrugated fibre box. Complete, Convenient, Authoritative. And yours for the asking. Write today.

THE HINDE & DAUCH PAPER CO.
324 West Water Street, Sandusky, Ohio

BOOK MANUSCRIPTS WANTED on your subject. Immediate attention and report. Expert editing and manufacture, superior editions and adequate national publication. **DORRANCE & COMPANY** General Publishers
Dept. N, Walnut and 3rd, Philadelphia, Pa., U. S. A.



Board Room, General Motors Building, Detroit.
Courtesy American Walnut Association

An Executive Board Meets Next Month

On that board—behind closed doors—sit the men who make the final decision. Your salesmen have done their job well. They have seen the men who recommended all along the line. From purchasing managers, department managers, works managers, general managers have come prices—recommendations—specifications—plans, all focusing on this executive board, all to be weighed and passed upon, favorably or otherwise.

How can you reach these officers and directors—reach them in one compact group—and forestall the chance remark or misunderstanding which may cancel weeks of sales effort? How can you spread your sales messages before them and mow down the resistance in advance of your salesmen? How can you insure a ready understanding and executive acceptance of your product or service in advance of this crucial half-hour meeting?

More than 35,000 Presidents of Corporations read Nation's Business
More than 15,000 Vice-Presidents of Corporations read Nation's Business
More than 15,000 Secretaries of Corporations read Nation's Business
More than 11,000 General Managers of Corporations read Nation's Business
More than 7,000 Treasurers of Corporations read Nation's Business
More than 110,000 Major Executives in 82,149 Corporations read Nation's Business.

You will find a detailed analysis of our 140,000 subscribers of interest. Let us tell you how other advertisers are using this magazine to make their advertising expenditure more productive. Get an executive "yes" when the order hangs in the balance.

THE NATION'S BUSINESS

WASHINGTON, D. C.



MORE THAN 140,000 CIRCULATION.

MEMBER A. B. C.

The Force that Builds, Equips and Operates



ONE may not think that electricity plays a big part in the erection of a building, yet the extent to which it helps construction work is remarkable.

In the production and fabrication of materials that go into a building; in the tools, appliances and machinery used in its construction; in a great part of the equipment necessary for its use as a business or industrial establishment; in the power that keeps all this equipment operating day after day—in all phases of building, equipping and operation, you'll find the same generation and transmission of power that is back of so many human activities.

Westinghouse has played an important part in this development at every step. Apparatus that generates the electricity, apparatus that transmits it, apparatus used in utilizing it—even the principle of *alternating current* which, to a large extent, makes possible the use of this apparatus—are part of the Westinghouse contribution to mankind.

WESTINGHOUSE ELECTRIC & MFG. CO.
Offices in all Principal Cities
Representatives Everywhere

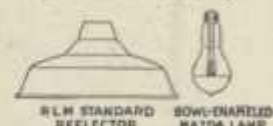
Westinghouse

©1924, W. E. & M. Co.

When writing to WESTINGHOUSE ELECTRIC & MFG. Co. please mention the Nation's Business



One Way to Light Your Factory



Use 200-watt bowl-enameled MAZDA lamps in the RLM type metal reflector shown above. Space 10 feet apart.

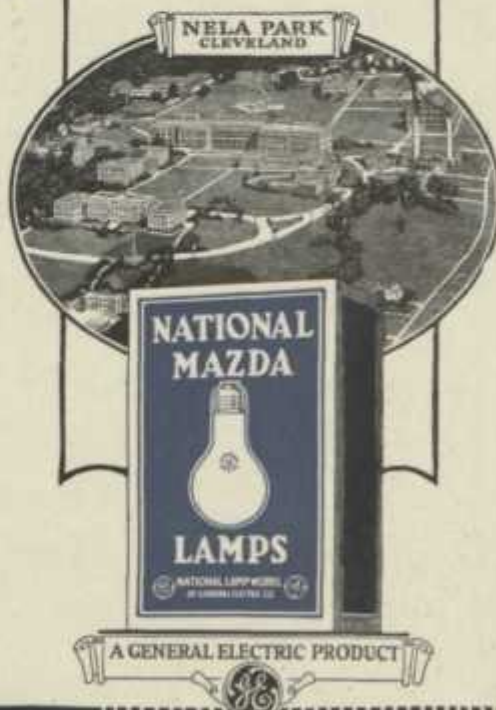
Nela Park is a "university" of light, dedicated to improvement in lamps and progress in the art of lighting.

Better Light Shows Direct Profit in Building White Trucks

Improvement of lighting was an important part in the shop betterment program of White Motor Company, Cleveland, Ohio. Old shallow reflectors were replaced with modern ones. Larger MAZDA lamps were installed. Units were hung closer together for uniform lighting. Unpleasant glare and confusing shadows were eliminated. Result: A conviction on the part of the management, of substantial increase in efficiency and accuracy of production.

Send coupon below for booklets: "How Better Lighting Increased Our Production 25%", giving in detail the lighting experience of the Detroit Piston Ring Company; and "Cutting Factory Costs with Lighting", giving the experience of well-known manufacturers and telling exactly how to make inexpensive lighting improvements in your own plant.

If your annual cost of lamps is \$75 or more, you are entitled to a contract price that will substantially reduce your lamp bill.



NATIONAL MAZDA LAMPS

MAIL THIS COUPON →

NATIONAL LAMP WORKS
of General Electric Company
Nela Park, Cleveland, Ohio

Please send me the following: Full details of the savings made by taking advantage of annual lamp contracts.
☐ Booklet: "How Better Lighting Increased Our Production 25%". ☐ Booklet: "Cutting Factory Costs with Lighting".

Name.....

Street and Number.....

City and State.....



Let us send you this new book FREE

One sure way to find out what an Autocar truck will do for you is to get first hand the experience of Autocar owners.

This book lists thousands of owners of 4-cylinder Autocars. Many of the names are well known to you.

It fully describes the essential features of Autocar design and construction responsible for such remarkable records of economical and uninterrupted hauling.

The Autocar Company

ESTABLISHED 1897

Ardmore, Pa.

The sturdy

Autocar

Wherever there's a road

A complete line of Autocar Trucks—
new, rebuilt and reconditioned
Capacities, 1 to 6 tons; chassis prices, \$1100 to \$4800

The
Autocar
Company,
Ardmore, Pa.

Please send your new
free booklet

Name

Firm

Street

City